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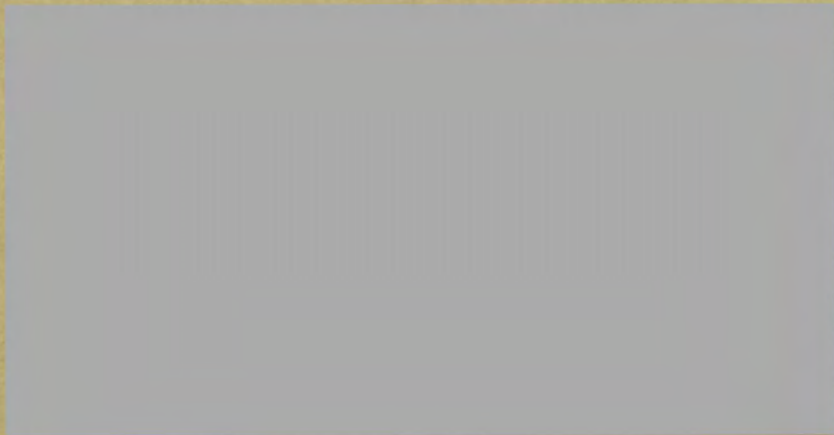


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WILSON, GEOFFREY M. - ARTICLES, and speeches (1963 - 1966)



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WILSON

We are not going to lower our standards in assessing projects. We are not going to soften our resistance to policies that we believe are hindering economic development. We are not going to jeopardize our standing with private investors, since we must continue to depend upon them to a great extent for the resources that we lend. In fact, we are going to continue to display the qualities that often madden many of our borrowers: we are going to go on being cautious and pragmatic—some have even said governessy—but not, I hope, unimaginative or unsympathetic. This is the approach that has served the Bank and its borrowers well throughout the years of its existence, and that has made it, in our view at any rate, an unusually effective instrument for its purpose.

WORLD BANK OPERATIONS

Address before the
Economic Commission of
the Council of Europe

by
Geoffrey M. Wilson
Vice-President of the World Bank and
International Development Association



Paris, France
December 16, 1963

As you probably know, the World Bank was conceived at the Bretton Woods Conference held in the summer of 1944. It started work in mid-1946. Its main task, at which it has now been laboring for more than seventeen years, is that of providing (in the words of its Articles of Agreement) "finance for productive purposes out of its own capital, funds raised by it and its other resources."

The capital structure of the Bank is the key not only to its methods of financing, but also to the means by which it is governed. At its establishment, the Bank was provided with an authorized capital of \$10,000 million. Countries subscribing for shares were required to pay in only one-fifth of their subscription on joining, the remainder being available on call, but only to meet the Bank's liabilities if it got into difficulties. Moreover, not even the one-fifth had to be paid over in hard cash at that time. The sole cash requirement was the payment in gold or dollars of 2% of each country's subscription. A further 18% of the subscription was payable in the currency of the member country concerned, and although this sum was technically paid in, in the form of notes bearing no interest, it could not be used without the member's permission. Only the United States and Canada were in a position for some time after the war to allow these notes to be cashed. Most of the other industrialized countries have since freed the national currency part of their subscriptions on a convertible basis, but the subscriptions of many of the underdeveloped members of the Bank are still largely frozen in this way.

Representatives of forty-four countries had attended Bretton Woods. Most of them joined the Bank, although the Soviet Union was one of those that did not. Subsequent accessions, more than thirty of them in the last two years alone, have brought the total membership of the Bank to just over one hundred countries. The subscription of each member is generally related to its quota in our sister organization, the International Monetary Fund; indirectly, it is founded on an old and somewhat complicated formula designed to reflect the economic strength of each member in 1946. On the basis of this formula, the Bretton Woods agreement parceled out the authorized capital among the prospective members of the Bank. The United States was given the largest allocation, at \$3,175 million, the United Kingdom the second biggest, at \$1,300 million, and the other members, amounts ranging down to the \$200,000 of Panama. In 1959, the capital of the Bank was doubled and most members doubled their own individual subscriptions, without making any further cash payment. In consequence, the United States is still the largest shareholder, at \$6,350 million, followed by Britain, at \$2,600 million, and by France and Germany, with \$1,050 million apiece. India, Canada and the Republic of China are fairly close behind.

This kind of financial assessment on the basis of ability to pay is common enough among international organizations, including most notably the United Nations itself. But a fundamental difference between the Bank and most other international organizations is that voting power over the conduct of the Bank's activities is related to these financial contributions. It is true that even the smallest subscriber gets a minimum number of votes. But the voting power of the smaller share-

holders is far outweighed by the big contributors: the United States alone wields almost three-tenths of the votes; the U.K. casts more than one-tenth; and when these two are allied with France, Germany and Canada they can command a voting majority, should they wish it, over the ninety-odd other countries that are now members of the Bank.

These voting rights are held in the first instance by the Bank's Board of Governors, an august body consisting mainly of Ministers of Finance and Governors of Central Banks. The Governors meet only once a year, and they have delegated most of their responsibilities to a working Board of nineteen Executive Directors. These Executive Directors, who are generally based (like the Bank itself) in Washington, direct the general operations of the Bank. Most of them serve full time, with several doubling as Directors of the IMF as well. Five of the Directors are nominated by the five largest shareholders, the U.S., the U.K., France, Germany and India. The remainder represent groups of countries, each group aggregating sufficient votes to provide the Director with an audible voice in the councils of the Bank. Some of the groupings are fairly natural, such as that formed by the five Nordic countries which are now represented by the only woman on the Bank's Board, a Dane. Some are strangely disparate, like the conjuncture of Cyprus, Israel, the Netherlands and Yugoslavia that is represented by a Dutchman. And there is one enormous group of twenty-four countries, mostly African, that is represented by our newly-elected nineteenth Executive Director, a Nigerian.

I don't propose to argue any general case for or against this weighted system of voting compared with the more familiar one of "one

country, one vote." I can see that in a political organization such as the United Nations General Assembly the system would be very difficult to apply. But in the conduct of an essentially financial institution it works pretty well—a tribute to the very real harmony that prevails in the Board of Directors and to the relationship that they have built up with the governments they represent, and with the officers with whom they work.

As far as the relationship with governments is concerned, the Executive Directors have tended often to become as much the representatives of the Bank with their countries as they are representatives of their countries with the Bank. Of course, if the French or German government has strong views on an issue, the Director it appoints will voice those views. But at the same time, the weight that individual Directors carry in the Board reflects their experience and judgment, much more than their voting power.

The relationship of the Board to the officers is also very important. The Bank has had a succession of strong and capable Presidents, of whom one, Eugene Black, held office from 1949 until the beginning of this year, when he was succeeded by George Woods. On the whole, both loan and policy proposals considered by the Board are initiated by the officers of the Bank. General policy proposals are thrashed out in Board meetings until a consensus is reached: there are few formal votes. Proposals for loans and other operations are not brought to the Board until any difficult issues have first been discussed informally, so that the fact that no formal proposals have ever been rejected is not, as it might suggest, evidence that the Board is a mere rubber stamp, but on the contrary

shows the close and continuous working relationship between Directors and officers. Lest this sound unduly complacent, let me add that I have experienced both sides of this relationship, first as alternate to the U.K. Director, and now as a Vice-President of the Bank.

The subscriptions of the Bank's members are of importance as governing the number of votes cast by each country, but their greatest significance is of course as the basic element in the financial resources of the Bank.

Altogether, the paid-in portion of the subscriptions now amounts to about \$2,100 million, of which roughly \$400 million is still unreleased for lending by the Bank. That leaves \$1,700 million of capital freely available for use in the business. But this is much less than half of the total funds available to us for lending. We draw much more money from other sources: from our borrowings in the market, and from our earnings.

The Bank's outstanding borrowings amount now to roughly \$2,500 million, raised in the capital markets of the world, and most particularly from private investors of the United States and Western Europe. In Western Europe it has made public bond issues in the capital markets of Austria, Belgium, Britain, Germany, Italy, the Netherlands and Switzerland, and we have borrowed privately in these and most other countries of Europe. Somewhat more than half of our total debt is owed to non-U.S. investors. It has been possible for the Bank to raise this enormous sum, at interest rates little or no higher than are paid by governments themselves, for two basic reasons. One is the confidence in the Bank that has been engendered by its record

of operations over the past seventeen years—a record about which I want to say something in just a moment. The other reason is that investors know that we have available still larger sums which we can call upon to repay our borrowings, should we ever be in difficulty. These sums are of course the portions of our member countries' subscriptions that have not been paid in, but remain on call. The United States guarantee alone amounts to \$5,715 million, or more than twice our outstanding borrowings, and when the guarantees of the other industrialized countries are added, the cover for our debt rises to roughly four times.

The Bank's uncalled subscriptions are the final guarantee for our borrowings. As a very substantial first line of defense, however, the Bank can call upon well over \$800 million of accumulated earnings on past loans. A part of these earnings is required to be kept in liquid form as an immediately accessible Special Reserve against losses, and this reserve now exceeds \$260 million. The remainder of our net income, besides providing the Bank with a cushion against possible losses, constitutes a third major source of funds for our lending. These lendable earnings are now approaching \$600 million, and as the Board has always been reluctant to pay a dividend to member governments, a further \$80 million or thereabouts becomes available to us for lending each year. Like our paid-in capital, these earnings are available to us without cost.

These three sources, capital, borrowings and earnings, make up the original pool of funds for our lending. There are some further contributions, however, which in effect supplement this pool. Repayments of principal on earlier loans have allowed the Bank

to turn over and re-lend about \$700 million. In addition, the Bank sells to financial institutions in Europe and America portions of its loans (usually installments that are due to be repaid within a fairly short time), and so replenishes its cash resources. These sales have provided more than \$1,700 million.

Together, these various sources of funds have enabled us to undertake loan commitments of some \$7,500 million, of which approaching \$6,000 million has now been disbursed. Toward these commitments, as I have already said, some \$1,700 million has been provided by government subscriptions to shares, paid in when the member country joined the Bank. We have not received, or sought, any further contributions from governments, either toward running expenses, or toward lendable funds. The balance of about \$5,800 million has been or will be met entirely from our own earnings and from funds raised by the sale of our bonds or of portions of our loans in the capital markets of the world.

The greater part of this development lending has financed the so-called infrastructure projects, which provide the framework supporting the rest of a country's economy, but which generally do not attract private investors. Thus about a third of the total has financed the development of electric power, including both hydroelectric and thermoelectric projects as well as transmission lines. To give you an idea of the scope of this power lending, for example: in the fourteen countries in Central and South America where we have lent for power, the projects financed by us have on average amounted to a doubling of their generating capacity as compared with 1948. On a similar scale, another third

of our lending has financed railways, roads and ports, with a couple of pipelines and a few aircraft thrown in for good measure. Most of the rest has been split between industry and agriculture. The industrial lending has largely gone into heavy industry, such as iron and steel or mining, or has been channeled into development finance companies in the borrowing countries themselves, to be passed on to industrial firms whose projects are too small for us to deal with effectively from Washington. The agricultural loans have generally been for comparatively large schemes, and especially for projects for flood control or irrigation that involve heavy capital spending.

Most of these loans have been made to the underdeveloped countries, although we have also lent to some quite well-off countries, such as Australia and Norway, whose need for capital is bigger than they can meet through ordinary borrowing. The lending has been fairly evenly distributed about the world: Asia, the most heavily populated region, has taken the largest share, followed by the Western Hemisphere, Europe and Africa. India is our largest individual borrower, with Japan in second place and Mexico in third.

Although the Bank can claim to be the largest source of multilateral aid for development, its share in the total aid effort is small in comparison with that of bilateral aid programs. But we ourselves have always been more interested in the effectiveness than in the scale of our lending. It is one of the benefits of being an independent international organization that we do not have to lend for reasons of political or commercial convenience.

For example, our borrowers can often get better value from a Bank loan than from a loan of similar size from a bilateral lender. Whereas a bilateral loan is commonly tied to the purchase of goods or services in the lending country, our borrowers are free to spend the proceeds of a Bank loan in any of the Bank's member countries (and also in Switzerland, in recognition of that country having opened its capital market to the Bank).

Our own records of competitive bidding under Bank-financed contracts show very wide variations in tender prices from different countries. In one case, for instance, suppliers from six industrialized countries quoted prices for equipment for a cement plant. The lowest price quoted by suppliers in country "A" was \$450,000. Country "B" got the contract by offering similar—and entirely satisfactory—equipment for only \$176,000. Both supplying countries are in Western Europe; the difference in price is about 150%. Under another recent loan, suppliers in nine countries tendered for the supply of heavy diesel-electric locomotives for use in the Far East. Country "C" offered to sell them at \$151,000 apiece, including the cost of shipment to the user; country "D" could not quote a better price than \$251,000—and that price did not include freight.

Whereas differences in quoted prices do not often run as high as in these cases, a range of 20-40% is perfectly normal. The important thing to remember is that under a bilateral loan, tied to procurement in the lending country, the borrower may well have no choice but to pay the highest of these prices. Indeed, he may have to pay even more, since it may well be that on occasion suppliers even raise their prices when they know that they will not

have to contend with international competition. By contrast, when procurement is not tied, as under a Bank loan, the borrower can do his shopping in the least expensive market.

Freedom to shop around is only one of the reasons why Bank loans can be unusually effective. As a multilateral organization, the Bank can—and does—confine its lending to projects that it is convinced, after careful and thorough study, will make a worthwhile contribution to the economic progress of the borrowing country. The Bank sets none of the commercial or political conditions that are sometimes explicit, and often implicit, in bilateral aid—but we are never reluctant to insist on any conditions that we think necessary to insure a project's success.

This approach has been used by the Bank in its lending since its earliest years, and it still applies. But whereas it once appeared that the Bank could meet most of its responsibilities toward its member countries through such straightforward lending operations, it has gradually been driven to enlarge the scope of its activities. The most spectacular enlargement of these activities came about three years ago with the establishment of the International Development Association—known for short as IDA.

The background to the creation of IDA is the increasing burden of debt service being carried by many underdeveloped countries. In itself, the fact that a country's external debt is growing is nothing to worry about, if its economic strength is also growing. But there are many countries able to make good use of considerably more outside capital than they can safely undertake to repay on conventional terms. In some of these countries,

their limited ability to borrow on such terms simply reflects their poverty. In others, it reflects the unfavorable structure of their present debts, often incurred on unsuitably short terms—for instance, in the shape of three or five-year commercial export credits when a more appropriate term of repayment would have been ten or fifteen years. There is one geographic area where today the structure of debt is so unfavorable that half of all the outstanding foreign borrowings fall due for repayment within the next five years.

This problem of the debt burden has been made still more difficult for most of the underdeveloped countries by the general decline in prices of the export products upon which they depend to finance the service of their overseas debts. The staff of the Bank recently assembled some illuminating statistics on this subject, covering the debt position and export earnings of a group of 34 countries that account between them for some 70% of the population of the underdeveloped world. Between 1955 and 1961, the total external debt owed or guaranteed by the governments of the countries in this group more than doubled. Yet over the same period, the export earnings of these countries increased by little more than 15%. In such circumstances, the heavy call of debt service on a country's resources is liable either to bring economic development to a halt, or else to drive the borrower to default on his creditors. And whatever one's views on the morality of not paying one's debts, there is no doubt that it is an excellent way of insuring that people will be less happy to lend to you in future.

The International Development Association was brought into being in 1960. Its function is to lend at long term and minimum

interest, in order to reduce the weight of debt service imposed on the less developed countries. It is financially separate from the Bank, but otherwise completely integrated with it; in effect it is simply a special fund available to the Bank to be used in cases where we consider that a project is economically justified, and that a government is following sensible policies, but that the balance of payments situation of the country concerned makes it desirable that generous terms of repayment be offered. It differs sharply from the Bank in one very important respect: its lending terms preclude it from borrowing in the market, and make it entirely dependent upon its member governments for funds.

IDA makes loans, not grants, and they are repayable in convertible currencies. But it will be a long time before the money comes back, and earnings will always be very small: all the loans so far made cost the borrower only a service charge of less than one per cent, designed to cover administrative expenses, and repayments begin only after ten years, and are spread over a further forty years. With such a low rate of return on its funds, IDA is in no position to finance borrowings from the private market, nor will it accumulate lendable earnings in any quantity. In contrast to the Bank, it must inevitably look periodically to its member countries to renew its resources.

The great majority of the Bank's member countries are also members of IDA, and it is governed in much the same way, as voting power is proportioned to initial subscription. There are major differences, however, in the structure and significance of the subscriptions. When IDA was set up, all of its potential members were sorted into two categories:

the developed, and the undeveloped. The developed countries agreed to put up their subscriptions entirely in gold or convertible currencies; the undeveloped paid only one-tenth in convertible funds, and the rest in their own currencies—which up to now have been no more useful to IDA than the unreleased local currency subscriptions of the Bank. This formula gave IDA initial funds of about \$765 million in lendable form. A further \$10 million has been provided through special supplementary contributions by Sweden as part of her development aid effort.

Most of these resources have already been committed. IDA's development credits, as they are called, have been concentrated in a smaller group of countries than the Bank's loans, because of the special problems they are designed to meet. India has been by far the largest borrower; Pakistan is in second place. But the projects to be financed are very similar to those covered by the Bank's loans—railways and roads, power stations and irrigation schemes. There are some differences. The special terms of IDA credits are meant to alleviate balance of payments problems, not to subsidize individual projects. Therefore we make our credits only to governments and insist, if the funds are to be re-lent to revenue-producing enterprises (whether public or private), that the re-lending be done on conventional terms that reflect the true cost of the money. IDA has also ventured into fields not so far touched by the Bank, by lending for water supply and school construction. The similarities, however, are much more significant than the differences. Most important, we apply exactly the same stringent technical and economic standards in assessing a proposed project and the policies of a borrowing country, regardless of whether the money will be provided by

the Bank or from the funds of IDA. We offer IDA's borrowers relief from their balance of payments problems, but we do not support uneconomic projects or irresponsible policies.

With almost all of IDA's initial resources now earmarked, and new commitments being undertaken at a rate approaching \$300 million a year, the time has come for a second round of contributions. This second round was negotiated last summer, and agreement in principle has been reached among our member governments on providing IDA with a further \$750 million in convertible currencies. These funds are to be committed over the next three years, and are to be paid in by the contributing countries in three annual installments, starting in November 1965. Contributions this time are to be confined to the industrialized members. The United States is to provide \$312 million, the British share is \$96.6 million, and Germany and France will contribute \$72.6 million and \$61.9 million respectively.

This "second round" for IDA will enable it to continue its work for three more years. But the Bank, too, must continue to adjust its activities to meet the changing needs of its member countries; above all, it must equip itself to attack the special problems of the more than thirty countries that have become members over the past couple of years. Almost all of these new members are recently independent, desperately poor, and largely inexperienced. If we are to meet our responsibilities, it is clear that we shall have to try new kinds and methods of lending, and give more help in preparing plans and projects. We are thinking how to do this, but we already have some idea of the kinds of things we might do—and also of the kinds of things we have no intention of doing.

It seems likely that we shall enlarge our activities in three specific fields: in assistance to agriculture, to industry, and to education. All of these will be more complicated than the relatively straightforward large infrastructure projects that have been, and will continue to be, our main business; all three, however, are of basic importance.

Agriculture's importance in the underdeveloped nations hardly needs underlining. In many countries, it employs four out of five persons. Up to now, most of our agricultural lending has been for large irrigation projects, or for flood control or land clearance. These are exceptional cases; and we want to spread our activities more widely. For instance, we may finance more of such basic agricultural investments as farm-to-market roads, and facilities for crop storage. We may support organizations that give technical help to the farmer. As bankers, we ought surely to be especially well equipped to assist in setting up and financing local institutions for agricultural credit and investment.

In industry, too, we think that there is more for us to do. Here we already have another affiliate at work, the International Finance Corporation. This lends to private industry without government guarantees, and there is effective division of labor between us. One kind of assistance the Bank itself might undertake is the provision of long-term loans to help establish industries entirely new to a country. Although these industries might be slow to find their feet, they offer the best means of eventually reducing the present extreme dependence of so many of our members on exports of one or two primary products. A second possibility, which I would expect, however, to arise only in a very few instances, would be to offer

finance for the so-called "maintenance imports." This might be of considerable help to the one or two countries where existing capacity cannot be used to the full because foreign exchange is so short that essential components and spares cannot be purchased from abroad.

There is another direction in which we certainly expect to increase our assistance to industry. As I mentioned earlier, a part of our lending has been channeled through privately-owned industrial financing companies in our borrowing countries. Since 1950, the Bank and IFC have helped to finance more than a dozen of these companies, most of which we also helped to establish. We are convinced that in providing capital and advice to small or medium-sized industrial firms in the developing countries, they can fill a need which no one else is properly equipped to meet. We expect to increase this activity.

Our third special field of study is education. Here IDA has lent a little, the Bank so far not at all. Everyone agrees that education is of basic importance to economic development. There is an especially urgent need in the developing countries for better vocational and technical schools, which produce the middle-level manpower and the agricultural and other specialists whose efforts are fairly quickly reflected in the economic progress of their countries. We should like to help finance these schools.

In this widening of our horizons, we start from a position of strength, backed as we are by large reserves, and a continuing flow of earnings. We intend to use this strength, not to hoard it. As a financial institution dependent on the market, we must continue

to relate the interest rates we charge on our loans to the cost of money to us. But we can usefully reduce the burden on our borrowers by other means, where this seems appropriate; longer periods of grace before repayments start can ease the financial strain during the years when a project is just beginning to show a return, while a stretching-out of the period over which repayments are made may be suitable in certain cases. We have also decided that the financial strength of the Bank is now such that we need no longer automatically allocate our net income to reserve. In future we shall decide on the allocation of each year's net income, whether to reserve or otherwise, after the close of the fiscal year concerned.

The more difficult and awkward the projects we undertake, and the less experienced the countries in which we operate, the more likely that we shall have to offer technical assistance to bring projects to the stage at which they are ready for financing. The Bank's technical assistance program is of long standing and of considerable diversity. It includes a staff college providing training in problems of economic development, a corps of resident economic advisers, and a wide variety of other services. But if we enlarge our activities in the way I have been describing, it is clear that the calls upon us for technical assistance will also grow. In part, we shall have to meet these calls in the fields in which we have competence, by enlarging our own staff. But we hope also to work very much more closely with other institutions than in the past, and especially with the other Specialized Agencies of the United Nations.

All these are things that we hope to do. But as I hinted earlier, there are some things we are certain that we are not going to do.

DIE
WELTBANK
UND IHRE
TÄTIGKEIT

*Ansprache von Mr. Geoffrey M. Wilson,
Vizepräsident der Internationalen Bank für Wiederauf-
bau und Entwicklung und der Internationalen
Entwicklungsorganisation am 16. Dezember 1963 in
Paris vor dem Wirtschaftsausschuß des Europarats*

Wie Ihnen wahrscheinlich bekannt ist, wurde die Weltbank auf der Konferenz von Bretton Woods konzipiert, die im Sommer 1944 stattfand. Mitte 1946 nahm die Bank die Arbeit auf. Ihre Hauptaufgabe, der sie sich jetzt mehr als sieben Jahre widmet, besteht (mit den Worten ihres Abkommens) darin, daß sie „aus ihrem eigenen Kapital, aus von ihr aufgebrachtene Geldern oder aus ihren eigenen Mitteln Kapital für produktive Zwecke“ bereitstellt.

Die Kapitalstruktur der Bank ist nicht nur der Schlüssel zu ihren Finanzierungsmethoden, sondern auch zu ihrer Verwaltung. Bei ihrer Errichtung wurde für die Bank ein genehmigtes Kapital von 10 Milliarden Dollar vorgesehen. Länder, die Anteile zeichneten, brauchten beim Eintritt nur ein Fünftel ihres Subskriptionsbetrags einzuzahlen, der Rest stand auf Abruf zur Verfügung, jedoch nur zur Erfüllung von Verbindlichkeiten der Bank, falls diese in Schwierigkeiten geraten sollte. Darüberhinaus brauchte dieses Fünftel zu jenem Zeitpunkt nicht einmal in bar eingezahlt zu werden. Die einzige Kassaforderung war die Einzahlung von zwei Prozent des Subskriptionsbetrages eines jeden Landes in Gold oder US-Dollar. Weitere 18 % des Subskriptionsbetrags waren in der Währung des betreffenden Landes einzuzahlen, und obwohl diese Summe in Form von unverzinslichen Schuldscheinen technisch eingezahlt wurde, konnte sie nicht ohne Genehmigung des Mitglieds verwendet werden. In der ersten Zeit nach dem Kriege waren nur die Vereinigten Staaten und Kanada in der Lage, die Einlösung dieser Schuldscheine zu gestatten. Mittlerweile haben die meisten anderen Industriestaaten den aus Landeswährung bestehenden Teil ihrer Zeichnung auf konvertierbarer Basis eingelöst, doch sind die Subskriptionsbeträge vieler Entwicklungsländer, die Mitglieder der Bank sind, noch weitgehend in dieser Form eingefroren.

An der Konferenz von Bretton Woods hatten Vertreter von vierundvierzig Staaten teilgenommen. Die meisten traten dem Abkommen über die Bank bei, doch die Sowjetunion gehörte zu denjenigen, die nicht Mitglied wurden. Durch spätere Beitritte — davon mehr als dreißig allein in den letzten beiden Jahren — hat sich die Mitgliederzahl der Bank auf etwas mehr als 100 Länder erhöht. Im allgemeinen steht der Subskriptionsbetrag jedes Mitglieds im Verhältnis zu seiner Quote in unserer Schwesterorganisation, dem Internationalen Währungsfonds; indirekt basiert dieser Betrag auf einer alten und etwas komplizierten Formel, welche die wirtschaftliche Stärke jedes Mitglieds im Jahre 1946 widerspiegeln soll. Auf der Grundlage dieser Formel hat das Abkommen von Bretton Woods das genehmigte Kapital auf die voraussichtlichen Mitglieder der Bank verteilt. Den größten Anteil erhielten die Vereinigten Staaten mit 3 175 Millionen Dollar, den zweitgrößten Großbritannien mit 1 300 Millionen Dollar, während die Anteile der übrigen Mitglieder bis hinunter zu den 200 000 Dollar reichen, die Panamas Subskription ausmachten. Im Jahre 1959 wurde das Kapital der Bank verdoppelt, und die meisten Länder verdoppelten ihre Subskriptionsbeträge, ohne jedoch weitere Zahlungen zu leisten. Infolgedessen sind die Vereinigten Staaten nach wie vor der größte Anteilseigner mit 6 350 Millionen Dollar, gefolgt von Großbritannien mit 2 600 Millionen Dollar sowie Frankreich und Deutschland mit je 1 050 Millionen Dollar; Indien, Kanada und die Republik China schließen sich an.

Diese Art der finanziellen Bewertung auf der Grundlage der Zahlungsfähigkeit findet man ziemlich oft bei internationalen Organisationen, das bekannteste Beispiel sind die Vereinten Nationen selbst. Der grundlegende Unterschied zwischen der Bank und den meisten anderen internationalen Organisationen besteht jedoch darin, daß das Mitbestimmungsrecht über die Tätigkeit der Bank im Verhältnis zu diesen finanziellen Beiträgen steht. Es stimmt zwar, daß auch der kleinste Anteilszeichner ein Stimmminimum erhält, doch wird das Stimmrecht der kleinen Anteilseigner bei weitem von dem der großen Beitragszahler übertroffen: die Vereinig-

ten Staaten haben allein fast drei Zehntel der gesamten Stimmen, Großbritannien mehr als ein Zehntel, und wenn beide sich mit Deutschland, Frankreich und Kanada zusammenschließen, können sie — falls sie das wünschen — mit einer Majorität die mehr als neunzig übrigen Länder überstimmen, die jetzt Mitglieder der Bank sind.

Diese Stimmrechte gelten in erster Linie für den Gouverneursrat der Bank, ein bedeutendes Gremium, das sich im wesentlichen aus Finanzministern und Zentralbankgouverneuren zusammensetzt. Die Gouverneure kommen nur einmal im Jahr zusammen. Sie haben den größten Teil ihrer Befugnisse auf das aus neunzehn Mitgliedern bestehende Direktorium übertragen. Diese Direktoren, die im allgemeinen (genau wie die Bank) ihren Sitz in Washington haben, leiten die allgemeine Geschäftstätigkeit der Bank. Die meisten sind hauptamtlich tätig, einige sind gleichzeitig Direktoren im Internationalen Währungsfonds. Fünf Direktoren werden von den fünf größten Anteilseignern, nämlich von den Vereinigten Staaten, Großbritannien, Frankreich, Deutschland und Indien ernannt. Die restlichen Direktoren vertreten Ländergruppen, wobei jede Gruppe genügend Stimmen auf sich vereinigt, um ihrem Direktor in den Beratungen der Bank Gehör zu verschaffen. Einige dieser Gruppierungen ergeben sich von selbst, wie die von den fünf nordischen Ländern gebildete Gruppe, die jetzt von der einzigen Frau im Bankdirektorium, einer Dänin, vertreten werden. Andere sind besonders in ihrer Verschiedenheit, wie die Zusammenfassung von Zypern, Israel, den Niederlanden und Jugoslawien in einer Gruppe, die von einem Holländer vertreten wird. Schließlich gibt es eine riesige Gruppe von vierundzwanzig, meist afrikanischen Ländern, die von unserem kürzlich gewählten neunzehnten Direktor, einem Nigierier, vertreten wird.

Ich will hier nicht generell für oder gegen dieses gewichtige System der Stimmabgabe im Vergleich zu dem bekannteren Verfahren „ein Land — eine Stimme“ argumentieren. Ich kann mir vorstellen, daß in einer politischen Organisation wie der Generalversammlung der Vereinten Nationen diese Methode nur unter Schwie-

rigkeiten anzuwenden wäre. Aber bei der Leitung eines vornehmlich finanziellen Instituts hat sie sich recht gut bewährt — und ist ein Tribut für die wirklich echte Harmonie, die im Direktorium herrscht und für das Verhältnis, daß die Direktoren zu den von ihnen vertretenen Regierungen und zu den Beamten, mit denen sie zusammenarbeiten, geschaffen haben.

Was das Verhältnis zu den Regierungen betrifft, so neigen die Direktoren ebenso häufig dazu, die Bank bei ihren Ländern wie diese bei der Bank zu vertreten. Wenn die französische oder die deutsche Regierung einen festen Standpunkt in einer bestimmten Frage einnimmt, dann wird der von ihr ernannte Direktor selbstverständlich diesen Standpunkt zum Ausdruck bringen. Gleichzeitig spiegelt sich aber in dem Einfluß, den einzelne Direktoren im Direktorium genießen, in weit größerem Maße ihre Erfahrung und ihr Urteilsvermögen wider, als die Zahl der Stimmen, die sie aufbringen.

Dem Verhältnis des Direktoriums zu den Beamten der Bank kommt ebenfalls große Bedeutung zu. Die Bank hat mehrere starke und fähige Präsidenten gehabt, einer von ihnen, Eugene Black, hatte dieses Amt von 1949 bis Anfang 1963 inne und wurde dann durch George Woods abgelöst. Im großen und ganzen werden die vom Direktorium erörterten Darlehens- und Grundsatzvorschläge von den Beamten der Bank ausgearbeitet. Vorschläge für die allgemeine Geschäftspolitik werden in Direktoriumssitzungen solange diskutiert, bis Übereinstimmung erzielt wird: nur selten gibt es eine formelle Abstimmung. Vorschläge für Darlehen und andere Transaktionen werden dem Direktorium nicht unterbreitet, ehe nicht alle schwierigen Fragen vorher im kleinen Kreis erörtert worden sind. Die Tatsache, daß bisher kein formeller Vorschlag verworfen wurde, ist also nicht — wie man vermuten könnte — ein Beweis dafür, daß das Direktorium automatisch alle Vorlagen billigt, es erhellt im Gegenteil das enge und gute Arbeitsverhältnis zwischen den Direktoren und Beamten. Falls dies selbstgefällig klingen sollte, möchte ich Ihnen ergänzend sagen, daß ich dieses gute Arbeitsverhältnis von beiden Seiten kennengelernt habe, zuerst als Stellvertreter des britischen Direktors und jetzt als Vizepräsident der Bank.

Die Subskriptionsbeträge der Mitglieder der Bank sind wichtig, weil sich nach ihnen die Zahl der von jedem Land abgegebenen Stimmen richtet, doch kommt ihnen natürlich als Grundelement der Hilfsmittel der Weltbank weit größere Bedeutung zu.

Insgesamt beläuft sich jetzt der eingezahlte Teil aller Subskriptionsbeträge auf rund 2 100 Millionen Dollar; davon sind etwa 400 Millionen Dollar noch nicht für die Ausleihungen der Bank freigegeben. Die Bank kann also über 1 700 Millionen Dollar des Kapitals in ihren Geschäften frei verfügen. Diese Summe liegt jedoch weit unter der Hälfte aller uns für Ausleihungen zur Verfügung stehenden Mittel. Wir bringen sehr viel mehr Geld aus anderen Quellen auf: aus unseren Anleihen auf dem Markt und aus unseren Gewinnen.

Die ausstehende Schuld der Bank beträgt jetzt ungefähr 2 500 Millionen Dollar, die auf den Kapitalmärkten der Welt aufgenommen wurden, insbesondere bei privaten Investoren in den Vereinigten Staaten und Westeuropa. In Westeuropa hat die Bank öffentliche Schuld-scheinemissionen auf den Kapitalmärkten in Belgien, Deutschland, Großbritannien, Italien, den Niederlanden, Österreich und der Schweiz begeben, und wir haben in diesen und den meisten anderen europäischen Staaten auch Schuldtitel privat untergebracht. Etwas mehr als die Hälfte unserer Gesamtschuld befindet sich in Händen von Investoren außerhalb der Vereinigten Staaten. Aus zwei wesentlichen Gründen war es der Bank möglich, diese enorme Summe zu Zinssätzen aufzubringen, die kaum oder nicht über denjenigen liegen, welche die Regierungen selbst zahlen müssen: einmal auf Grund des Vertrauens in die Bank, das sie sich durch ihre Geschäftstätigkeit in siebzehn Jahren erworben hat, zum anderen die den Investoren bekannte Tatsache, daß uns noch weit größere Beträge zur Verfügung stehen, sollten wir jemals in Schwierigkeiten geraten. Bei diesen Summen handelt es sich selbstverständlich um die Teile der Subskriptionsbeträge unserer Mitglieder, die nicht eingezahlt worden sind und auf Abruf bereitstehen. Allein die Garantie der Vereinigten Staaten beträgt 5 715 Millionen Dollar, das heißt mehr als das Doppelte unserer ausstehenden

Schulden; fügt man die Garantien anderer Industriestaaten hinzu, so erreicht die Deckung den vierfachen Betrag unserer Schulden.

Die nicht abgerufenen Subskriptionsbeträge sind die letzte Garantie für unsere Kreditaufnahmen. Als ihre sehr beträchtliche erste Defensivmaßnahme kann die Bank jedoch auf weit über 800 Millionen Dollar an Gewinnen zurückgreifen, die sich aus früheren Darlehen angesammelt haben. Ein Teil dieser Gewinne muß in einer jederzeit verfügbaren Sonderreserve liquide gehalten werden, und diese Reserve beläuft sich jetzt auf mehr als 260 Millionen Dollar. Der Rest unseres Nettogewinns stellt nicht nur für die Bank ein Polster gegen etwaige Verluste dar, sondern bildet auch die dritte größere Quelle für unsere Darlehen. Diese ausleihbaren Gewinne nähern sich jetzt der 600 Millionen Dollar-Grenze, und da das Direktorium nie geneigt war, den Mitgliedsregierungen eine Dividende zu zahlen, werden auf diese Weise jedes Jahr weitere rund 80 Millionen Dollar für Ausleihungen verfügbar. Diese Gewinne stehen uns ebenso wie unser eingezahltes Kapital kostenlos zur Verfügung.

Aus diesen drei Quellen — Kapital, aufgenommene Anleihen und Gewinne — stammen die ursprünglichen Mittel für unsere Darlehensgewährung. Es gibt jedoch noch einige andere Quellen, die diesen Pool wirksam ergänzen. Die Rückzahlungen von Kapitalbeträgen früherer Darlehen haben es der Bank ermöglicht, rund 700 Millionen Dollar erneut auszuleihen. Darüberhinaus verkauft die Bank Tranchen ihrer Darlehen (im allgemeinen Papiere, die in verhältnismäßig kurzer Zeit fällig werden) an Kreditinstitute in Europa und Amerika und füllt so ihre Sofortmittel wieder auf. Diese Verkäufe haben über 1 700 Millionen Dollar erbracht.

Diese verschiedenen Quellen zusammen haben es uns ermöglicht, Darlehenszusagen von rund 7 500 Millionen Dollar zu machen, von denen bis jetzt annähernd 6 000 Millionen ausgezahlt worden sind. Wie bereits erwähnt, sind für diese Verpflichtungen etwa 1 700 Millionen durch die Subskriptionsbeträge der Regierungen verfügbar gemacht worden, die beim Eintritt des Mitglieds in die Bank eingezahlt wurden.

Wir haben keine weiteren Beiträge von den Regierungen erhalten oder uns darum bemüht, weder für die laufenden Kosten, noch für ausleihbare Mittel. Der Restbetrag von rund 5 800 Millionen Dollar ist voll aus unseren eigenen Einkünften und aus Mitteln, die durch den Verkauf unserer Schuldtitel oder Tranchen unserer Darlehen auf den Kapitalmärkten der Welt beschafft wurden, gedeckt worden oder wird so aufgebracht.

Der größte Teil unserer Entwicklungsdarlehen hat sogenannte „Infrastrukturprojekte“ finanziert, welche das die übrige Wirtschaft des Landes stützende Gerüst schaffen, aber auf private Investoren keine Anziehung ausüben. Auf diese Weise hat rund ein Drittel des Gesamtbetrags die Entwicklung der Energiewirtschaft, einschließlich Wasser- und Wärmekraftwerke sowie Überlandleitungen, finanziert. Um Ihnen eine Vorstellung von dem Umfang dieser Darlehensgewährung für den Energiesektor zu geben: in den 14 Staaten in Mittel- und Südamerika, in denen wir Darlehen für die Energiewirtschaft gegeben haben, führten die von uns finanzierten Projekte im Durchschnitt zu einer Verdoppelung der Stromkapazität gegenüber 1948. In ähnlichem Umfang hat ein Drittel unserer Ausleihungen Eisenbahnen, Straßen und Häfen und — um das Maß voll zu machen — ein paar Pipelines und Flugzeuge finanziert. Der Rest wurde im wesentlichen zwischen Industrie und Landwirtschaft aufgeteilt. Die Industriedarlehen gingen im wesentlichen in die Schwerindustrie, wie Eisen und Stahl oder Bergbau, oder wurden in Entwicklungsbanken in den Darlehensnehmerländern geleitet, um an Industrieunternehmen weitergegeben zu werden, deren Vorhaben zu klein waren, um von Washington aus wirksam von uns bearbeitet zu werden. Die Landwirtschaftsdarlehen wurden im allgemeinen für verhältnismäßig große Programme gewährt, insbesondere für Hochwasserschutz- oder Bewässerungsvorhaben, die hohe Kapitalaufwendungen erfordern.

Die meisten Darlehen wurden Entwicklungsländern gegeben, obwohl wir auch Ausleihungen an recht wohlhabende Staaten gemacht haben, wie zum Beispiel an Australien und Norwegen, die mehr Kapital benötigen, als sie durch ge-

wöhnliche Kreditaufnahmen aufbringen können. Die Darlehen wurden relativ gleichmäßig über die ganze Welt verteilt: Asien, das am dichtesten bevölkerte Gebiet, hat den größten Anteil erhalten, gefolgt von der westlichen Hemisphäre, Europa und Afrika. Indien ist unser größter Darlehensnehmer, Japan folgt an zweiter Stelle und Mexiko an dritter.

Obwohl die Bank für sich beanspruchen kann, die größte Quelle für multilaterale Entwicklungshilfe zu sein, ist ihr Anteil an der gesamten Entwicklungshilfe im Verhältnis zu demjenigen bilateraler Hilfsprogramme klein. Wir selbst waren jedoch immer stärker an der Wirksamkeit als an der Größenordnung unserer Ausleihungen interessiert. Es gehört zu den Vorteilen einer unabhängigen internationalen Organisation, daß wir nicht aus Gründen politischer oder kommerzieller Konvenienz Darlehen zu vergeben brauchen.

So können unsere Darlehensnehmer zum Beispiel oft größeren Nutzen aus einem Bankdarlehen als aus einer Anleihe ähnlicher Größenordnung von einem bilateralen Geberland ziehen. Während eine bilaterale Anleihe im allgemeinen an den Bezug von Waren oder Dienstleistungen aus dem Geberland gebunden ist, steht es unseren Darlehensnehmern frei, die Erlöse aus einem Bankdarlehen in jedem beliebigen Mitgliedsland der Bank und auch in der Schweiz (in Anerkennung der Tatsache, daß diese der Bank ihren Kapitalmarkt geöffnet hat) auszugeben.

Unsere eigenen Unterlagen über Ausschreibungen bei von der Bank finanzierten Aufträgen zeigen sehr starke Unterschiede bei Angebotspreisen aus verschiedenen Ländern. In einem Fall unterbreiteten zum Beispiel Lieferanten aus sechs Industriestaaten Angebote für die Ausrüstung eines Zementwerkes. Der niedrigste Preis im Land „A“ belief sich auf 450 000 Dollar. Land „B“ erhielt den Auftrag, weil es eine ähnliche — und ganz zufriedenstellende — Ausrüstung für nur 176 000 Dollar anbot. Beide Lieferantländer liegen in Westeuropa, der Preisunterschied beträgt rund 150 Prozent. Bei einem kürzlich gegebenen Darlehen machten Fabrikanten in neun Ländern Angebote für die Lieferung schwerer Diesellokomotiven mit elektrischem

Antrieb für den Fernen Osten. Land „C“ bot sie für 151 000 Dollar pro Stück, einschließlich der Frachtkosten bis zum Auftraggeber an; Land „D“ konnte kein besseres Preisangebot als 251 000 Dollar machen — und in dieser Summe waren die Frachtkosten nicht eingeschlossen.

Wenn auch Preisunterschiede bei Angeboten selten so hoch sind wie in diesen Fällen, so ist ein Gefälle von 20—40 % doch ganz normal. Es ist wichtig, sich vor Augen zu halten, daß bei einer bilateralen Anleihe, die an die Beschaffung im Geberland gebunden ist, der Anleihenehmer möglicherweise keine andere Wahl hat, als den höchsten dieser Preise zu zahlen. Unter Umständen muß er noch mehr bezahlen, denn es ist durchaus möglich, daß die Lieferanten ihre Preise erhöhen, wenn sie wissen, daß sie sich nicht im internationalen Wettbewerb zu bewähren brauchen. Im Gegensatz dazu kann der Anleihenehmer, dem die Beschaffung — wie bei einem Bankdarlehen — freisteht, seinen Einkauf auf dem preisgünstigsten Markt tätigen.

Die Möglichkeit, überall Angebote anzufordern, ist nur einer der Gründe, warum Bankdarlehen außergewöhnlich wirksam sein können. Als multilaterale Organisation kann die Bank ihre Darlehensgewährung auf Projekte beschränken — und tut das auch —, von denen sie nach sorgsamer und gründlicher Prüfung die Überzeugung gewonnen hat, daß sie einen lohnenden Beitrag zum wirtschaftlichen Fortschritt des Darlehensnehmerlandes leisten werden. Die Bank stellt keine kommerziellen oder politischen Bedingungen, die manchmal ausdrücklich und oft implicite mit der bilateralen Hilfe verbunden sind — aber wir zögern nie, auf Bedingungen zu bestehen, die unserer Ansicht nach notwendig sind, um den Erfolg eines Projekts zu gewährleisten.

Dies war schon in den ersten Jahren die Einstellung der Bank zu ihrer Darlehensgewährung und gilt auch heute noch. Während es jedoch früher so schien, als ob die Bank ihre Pflichten gegenüber ihren Mitgliedsländern im wesentlichen durch solche direkten Darlehen erfüllen könnte, sah sie sich allmählich gezwungen, ihren Tätigkeitsbereich zu erweitern. Die augenfälligste Ausweitung ihrer Tätigkeit erfolgte vor drei

Jahren mit der Errichtung der Internationalen Entwicklungsorganisation — kurz als IDA bekannt.

Den Hintergrund für die Schaffung der IDA bildet die wachsende Last des Schuldendienstes, die viele Entwicklungsländer tragen. Die Tatsache wachsender Auslandsschulden eines Landes an sich ist noch kein Grund zur Sorge, wenn seine Wirtschaftskraft ebenfalls zunimmt. Aber es gibt viele Länder, die in der Lage wären, wesentlich mehr ausländisches Kapital nutzbringend zu verwenden, als sie mit Sicherheit zu herkömmlichen Bedingungen zurückzahlen können. In einigen dieser Länder ist die begrenzte Fähigkeit, Kapital zu solchen Bedingungen aufzunehmen, nur ein Ausdruck ihrer Armut. In anderen wirft sie ein Licht auf die ungünstige Struktur ihrer jetzigen Schulden, für die häufig unangemessen kurze Laufzeiten vereinbart wurden — zum Beispiel in Form kommerzieller Exportkredite mit Laufzeiten von drei bis fünf Jahren, bei denen eine Rückzahlungsfrist von zehn oder fünfzehn Jahren eher angebracht gewesen wäre. In einem geographischen Bereich ist die Schuldenstruktur heute so ungünstig, daß die Hälfte aller Auslandsschulden innerhalb der nächsten fünf Jahre fällig wird.

Dies Problem der Schuldenlast ist für die meisten Entwicklungsländer durch das allgemeine Absinken der Preise für ihre Ausfuhr-güter, auf die sie zur Finanzierung des Schuldendienstes für ihre Verpflichtungen in Übersee angewiesen sind, noch weiter erschwert worden. Die Bank hat vor kurzem einleuchtende Statistiken über dieses Problem zusammengestellt: sie erfassen die Verschuldung und die Ausfuhr-erlöse einer Gruppe von 34 Staaten, auf die rund 70% der Bevölkerung in den Entwicklungsländern entfallen. In der Zeit von 1955 bis 1961 haben sich die gesamten Auslandsschulden, welche die Regierungen dieser Länder aufgenommen oder garantiert haben, mehr als verdoppelt. Im gleichen Zeitraum stiegen die Ausfuhrerlöse dieser Länder jedoch nur um etwa 15 Prozent. Unter derartigen Umständen besteht die Gefahr, daß die starke Beanspruchung der Mittel eines Landes durch den Schuldendienst entweder die wirtschaftliche Entwicklung zum Stillstand bringt oder der Darlehensneh-

mer in Verzug gerät. Ohne Rücksicht auf moralische Ansichten ist das Nichtbezahlen von Schulden zweifellos ein ausgezeichnetes Mittel, um zu erreichen, daß einem in Zukunft weniger bereitwillig Darlehen gewährt werden.

Die Internationale Entwicklungsorganisation wurde 1960 ins Leben gerufen. Sie hat die Aufgabe, langfristige Darlehen zu minimalen Zinssätzen zu gewähren, um das Gewicht des Schuldendienstes zu verringern, dem die Entwicklungsländer ausgesetzt sind. Die Mittel der IDA sind völlig von denen der Bank getrennt, mit der sie im übrigen voll integriert ist. Tatsächlich ist sie ein Sonderfonds, welcher der Bank in den Fällen zur Verfügung steht, in denen wir ein Projekt für wirtschaftlich gerechtfertigt halten und glauben, daß die Regierung eine vernünftige Politik verfolgt, daß jedoch die Zahlungsbilanzlage des betreffenden Landes das Angebot großzügiger Rückzahlungsbedingungen wünschenswert erscheinen läßt. In einem sehr wichtigen Punkt unterscheidet sich die IDA deutlich von der Bank: ihre Darlehensbedingungen schließen die Aufnahme von Anleihen auf dem Kapitalmarkt aus, so daß sie hinsichtlich ihrer Mittel völlig auf ihre Mitgliedsregierungen angewiesen ist.

Die IDA gewährt Kredite, keine Zuschüsse, und diese Kredite sind in konvertierbaren Währungen zurückzuzahlen. Aber es wird lange dauern, bis das Geld wieder hereinkommt, und die Erträge werden immer sehr gering sein: alle bisher gegebenen Kredite kosten den Kreditnehmer nur eine Bearbeitungsgebühr von weniger als ein Prozent, die zur Deckung der Verwaltungskosten bestimmt ist; die Rückzahlungen beginnen erst nach zehn Jahren und erstrecken sich über vierzig Jahre. Bei derartig geringen Erträgen ist die IDA nicht in der Lage, Anleihen auf dem privaten Kapitalmarkt zu finanzieren, noch kann sie in nennenswertem Umfang ausleihbare Gewinne ansammeln. Im Gegensatz zur Bank muß die IDA sich zwangsläufig von Zeit zu Zeit um Erneuerung ihrer Mittel an ihre Mitgliedsländer wenden.

Die überwiegende Mehrzahl der Mitgliedsländer der Bank ist auch Mitglied bei der IDA, die in sehr ähnlicher Weise verwaltet wird, da

die Stimmenzahl im Verhältnis zur Erstzeichnung steht. Struktur und Bedeutung der Subskriptionsbeträge weisen jedoch größere Unterschiede auf. Als die IDA errichtet wurde, wurden all ihre voraussichtlichen Mitglieder in zwei Kategorien aufgeteilt: in Industriestaaten und Entwicklungsländer. Die Industriestaaten erklärten sich bereit, ihre Subskriptionsbeträge voll in Gold oder konvertierbaren Währungen einzuzahlen; die Entwicklungsländer zahlten nur ein Zehntel in konvertierbarer Währung und den Rest in Landeswährung — diese Beträge waren bisher für die IDA ebenso wenig nützlich wie die nicht freigegebenen, in Landeswährung geleisteten Subskriptionsbeträge bei der Bank. Mittels dieser Formel erhielt die IDA ein Anfangskapital von rund 765 Millionen Dollar in ausleihbarer Form. Weitere 10 Millionen Dollar wurden durch besondere Ergänzungsleistungen von Schweden als Teil seines Beitrags zur Entwicklungshilfe zur Verfügung gestellt.

Diese Hilfsmittel sind zum größten Teil schon fest zugesagt. Da sie zur Bewältigung besonderer Probleme dienen sollen, haben sich die sogenannten „Entwicklungskredite“ der IDA auf eine kleinere Gruppe von Ländern konzentriert als die Bankdarlehen. Indien war bei weitem der größte Kreditnehmer, Pakistan steht an zweiter Stelle. Aber die Projekte, die finanziert werden sollen, ähneln stark den Vorhaben, die mit Bankdarlehen gefördert werden: Eisenbahnen und Straßen, Kraftwerke und Bewässerungsvorhaben. Imerhin gibt es einige Unterschiede: Die besonderen Bedingungen der IDA-Kredite sind darauf abgestellt, Zahlungsbilanzschwierigkeiten zu lindern, nicht Einzelprojekte zu subventionieren. Deshalb geben wir unsere Kredite nur an Regierungen und bestehen darauf, daß sie die Mittel, wenn diese an rentable (öffentliche oder private) Unternehmen weitergegeben werden, zu konventionellen Bedingungen weiterverleihen, die den tatsächlichen Finanzierungskosten entsprechen. Durch ihre Kredite für Wasserversorgung und Schulbauten ist die IDA auch in solche Gebiete vorgedrungen, die von der Bank bisher nicht berührt wurden. Die Ähnlichkeiten sind jedoch weit bedeutender als die Unterschiede. Sehr wichtig ist, daß wir bei der Beurteilung von Projektvorschlägen und der Politik des Kreditnehmerlandes dieselben strengen

technischen und wirtschaftlichen Maßstäbe anlegen, ganz gleich ob das Geld von der Bank zur Verfügung gestellt wird oder aus Mitteln der IDA kommt. Wir bieten den Kreditnehmern der IDA eine Entlastung von ihren Zahlungsbilanzschwierigkeiten an, doch wir unterstützen keine unwirtschaftlichen Projekte oder unverantwortliche Grundsätze.

Nachdem fast die gesamten, aus der Erstzeichnung stammenden Mitteln der IDA jetzt für bestimmte Zwecke vorgesehen sind und neue Zusagen in der Größenordnung von annähernd 300 Millionen Dollar pro Jahr gemacht werden, ist die Zeit für eine neue Beitragsrunde gekommen. Über diese zweite Runde wurde im letzten Sommer verhandelt, und von unseren Mitgliedern wurde eine grundsätzliche Übereinstimmung erzielt, der IDA weitere 750 Millionen Dollar in konvertierbaren Währungen zur Verfügung zu stellen. Diese Mittel sollen in den nächsten drei Jahren zugesagt und ab November 1965 von den teilnehmenden Ländern in drei Jahresraten eingezahlt werden. Diesmal sind die Beiträge auf die Industriestaaten beschränkt. Die Vereinigten Staaten werden 312 Millionen Dollar zur Verfügung stellen, Großbritanniens Anteil beträgt 96,6 Millionen Dollar, Deutschland und Frankreich werden 72,6 Millionen bzw. 61,9 Millionen Dollar beisteuern.

Diese „zweite Runde“ wird es der IDA ermöglichen, ihre Arbeit weitere drei Jahre fortzusetzen. Aber auch die Bank muß fortfahren, ihre Tätigkeit den sich wandelnden Anforderungen ihrer Mitgliedsländer anzupassen; vor allem muß sie sich darauf einstellen, den besonderen Problemen der über dreißig Länder zu begegnen, die in den letzten Jahren ihre Mitglieder geworden sind. Nahezu all diese neuen Mitglieder haben kürzlich ihre Unabhängigkeit erlangt, sind entsetzlich arm und weitgehend unerfahren. Wenn wir unsere Aufgaben erfüllen sollen, müssen wir neue Arten und Methoden der Darlehensgewährung ausprobieren und bei der Vorbereitung von Plänen und Projekten mehr Hilfe gewähren. Wir überlegen noch, wie das geschehen soll; wir haben aber bereits eine Vorstellung von den Dingen, die wir tun können — und auch von denen, die wir keinesfalls tun wollen.

Es ist wahrscheinlich, daß wir unsere Tätig-

keit auf drei bestimmten Gebieten erweitern werden: Hilfe für die Landwirtschaft, für die Industrie und für das Ausbildungswesen. Das wird in jedem Falle komplizierter sein als die relativ einfachen großen Infrastrukturprojekte, die bisher unsere Hauptaufgabe waren und auch weiterhin sein werden — alle drei sind jedoch von wesentlicher Bedeutung.

Die Bedeutung der Landwirtschaft in den Entwicklungsländern braucht kaum unterstrichen zu werden; in vielen Ländern arbeiten von fünf Einwohnern vier in der Landwirtschaft. Bis jetzt galten unsere Landwirtschaftsdarlehen meist großen Bewässerungsprojekten, dem Hochwasserschutz oder der Urbarmachung von Land. Das sind Ausnahmefälle, und wir wollen unseren Tätigkeitsbereich weiter ausdehnen. So könnten wir beispielsweise öfters so grundlegende landwirtschaftliche Investitionen wie Straßen von den Erzeugergebieten zu den Absatzmärkten oder Speichereinrichtungen finanzieren.

Wir können Organisationen unterstützen, die den Bauern technische Hilfe gewähren. Als Bankiers sollten wir ganz besonders gut qualifiziert sein, bei der Errichtung und Finanzierung örtlicher Institute für landwirtschaftliche Kredite und Investitionen zu helfen.

Auch im Bereich der Industrie gibt es unserer Ansicht nach noch mehr für uns zu tun. Hier arbeitet bereits eine weitere Schwesterorganisation von uns, die Internationale Finanz-Corporation. Sie leiht ohne Regierungsgarantie an die Privatindustrie Mittel aus, und wir haben mit ihr eine wirksame Arbeitsteilung erzielt. Eine Art von Hilfe, welche die Bank selbst gewähren könnte, ist die Bereitstellung langfristiger Darlehen, um die Schaffung von Industrien zu fördern, die es in dem betreffenden Land noch nicht gibt. Obwohl diese Industrien womöglich nur langsam Fuß fassen werden, bieten sie für viele unserer Mitglieder doch die beste Möglichkeit, endlich ihre jetzige, äußerst starke Abhängigkeit von der Ausfuhr eines oder zweier Rohstoffe zu verringern. Eine zweite, wahrscheinlich nur sehr selten auftretende Möglichkeit ist die Finanzierung von Ersatzteilen und Zulieferungen aus dem Ausland. Sie könnte eine beträcht-

liche Hilfe für einige wenige Länder darstellen, in denen die vorhandene Kapazität nicht voll ausgenutzt werden kann, weil die Devisen so knapp sind, daß dringend benötigte Zubehör- und Ersatzteile nicht im Ausland beschafft werden können.

Es gibt noch eine andere Richtung, in der wir bestimmt unsere Industriehilfe zu verstärken hoffen. Wie ich bereits vorher erwähnte, wurde ein Teil unserer Ausleihungen über private Industriekreditbanken in unseren Darlehensnehmerländern geschleust. Seit 1950 haben die Bank und die IFC mehr als ein Dutzend solcher Gesellschaften mitfinanziert, meistens waren wir auch bei ihrer Gründung behilflich. Wir sind überzeugt, daß sie durch die Bereitstellung von Kapital und technischer Beratung für kleine und mittlere Industriebetriebe in den Entwicklungsländern Bedürfnisse befriedigen können, wozu sonst niemand wirklich geeignet ist. Wir hoffen, diese Tätigkeit zu erweitern.

Das dritte Gebiet, dem wir besondere Aufmerksamkeit widmen, ist das Ausbildungswesen. Hier hat die IDA einige wenige Darlehen gewährt, die Bank bisher noch nicht. Es besteht Einigkeit darüber, daß das Ausbildungswesen für die wirtschaftliche Entwicklung von entscheidender Bedeutung ist. In den Entwicklungsländern ist der Bedarf an besseren Berufs- und Fachschulen besonders dringend, aus denen die Spitzenkräfte und die landwirtschaftlichen und sonstigen Fachleute hervorgehen, deren Anstrengungen sich relativ schnell auf den wirtschaftlichen Fortschritt ihrer Länder auswirken. Wir würden gerne helfen, diese Schulen zu finanzieren.

Bei dieser Erweiterung unseres Aufgabebereichs gehen wir von einer Position der Stärke aus, da wir uns ja auf große Reserven und den fortgesetzten Zustrom von Gewinnen stützen können. Wir wollen diese Stärke einsetzen und nicht horten. Als vom Markt abhängiges Finanzierungsinstitut müssen wir nach wie vor die Zinssätze, die wir auf unsere Darlehen erheben, zu den uns entstehenden Kosten in Beziehung setzen. Wir können jedoch auf andere Weise die Belastung unserer Darlehensnehmer verringern, wo das angebracht erscheint: längere Schonfristen vor Beginn der Tilgung können den finan-

ziellen Druck während der Jahre lindern, in denen das Projekt gerade erst anfängt Gewinne aufzuweisen, während in gewissen Fällen eine Verlängerung der Frist, innerhalb welcher Rückzahlungen erfolgen, zweckmäßig erscheinen könnte. Wir haben auch beschlossen, daß die finanzielle Stärke der Bank nunmehr so beschaffen ist, daß wir nicht länger automatisch unsere Reingewinne der Reserve zuzuschreiben brauchen. In Zukunft werden wir jeweils nach Ablauf des Rechnungsjahres entscheiden, ob der Reingewinn des betreffenden Jahres der Reserve zugeführt oder auf andere Konten verbucht wird.

Je schwieriger und ungewöhnlicher die Projekte sind, die wir in Angriff nehmen und je geringer die Erfahrung der Länder ist, in denen wir tätig werden, desto größer ist die Wahrscheinlichkeit, daß wir technische Hilfe anbieten müssen, um den Projekten zur Finanzierungsreife zu verhelfen. Das technische Hilfsprogramm der Bank besteht seit vielen Jahren und ist von beachtlicher Vielseitigkeit. Es umfaßt ein Seminar für die Ausbildung in wirtschaftlichen Entwicklungsfragen, einen Stab ortsansässiger Wirtschaftsberater und die verschiedensten sonstigen Dienstleistungen. Erweitern wir jedoch unsere Tätigkeit wie eben beschrieben, so werden bestimmt auch die an uns gerichteten Ersuchen um technische Hilfe zunehmen. Zum Teil werden wir auf den Gebieten, auf denen wir zuständig sind, diesen Bitten durch Erweiterung unseres Mitarbeiterstabes Rechnung tragen müssen. Aber wir hoffen auch, weit enger als bisher mit anderen Institutionen zusammenzuarbeiten, besonders mit den Sonderorganisationen der Vereinten Nationen.

Dies sind alles Dinge, die wir zu tun hoffen. Wie ich aber bereits angedeutet habe, gibt es auch Dinge, die wir ganz bestimmt nicht tun werden: Wir werden nicht unsere Maßstäbe bei der Beurteilung von Projekten senken; wir werden nicht unseren guten Ruf bei den privaten Investoren gefährden, da wir auch künftig hinsichtlich der von uns aufgenommenen Mittel auf sie angewiesen sein werden. Wir werden in der Tat fortfahren, die Qualitäten zu entfalten, die oft vielen unserer Darlehensnehmer auf die Nerven gehen: wir werden weiterhin vorsichtig und

pragmatisch — manche haben sogar gesagt: gouvornantenhaft —, aber hoffentlich nicht phantasielos oder unbarmherzig sein. Diese Einstellung hat den Darlehensnehmern und der Bank all die Jahre seit ihrer Gründung gute Dienste geleistet und sie — zum mindesten in unseren Augen — zu einem ungewöhnlich wirksamen Instrument zur Erfüllung ihrer Aufgaben gemacht.

LES ACTIVITES DE LA BANQUE MONDIALE

Allocution prononcée par
M. GEOFFREY M. WILSON
Vice-Président
de la Banque Internationale
pour la Reconstruction
et de Développement,
devant la Commission Économique
du Conseil de l'Europe



Paris
Le 16 Décembre 1963

Vous savez que la Banque Mondiale a été fondée lors de la Conférence de Bretton Woods qui s'est tenue pendant l'été de 1944. Elle a commencé ses activités vers le milieu de 1946. Sa principale tâche, qui l'occupe depuis plus de dix-sept ans, est d'apporter (suivant les termes mêmes de ses Statuts) un financement destiné à des fins productives et provenant de son propre capital, des fonds qu'elle s'est procurée et de ses autres ressources.

La structure même du capital de la Banque explique les méthodes de financement qu'elle emploie et en même temps permet de comprendre son organisation intérieure. Lors de sa création, elle avait été dotée d'un capital autorisé de 10.000 millions de dollars. Les pays souscripteurs des parts ne devaient acquitter que le cinquième de leur souscription au moment de leur adhésion, le solde devant être versé sur appel, seulement dans le cas où la Banque rencontrerait des difficultés pour faire face à ses engagements. Ces pays n'étaient alors même pas tenus de payer cette part de leur souscription en argent comptant. Le seul versement obligatoire en espèces était le paiement en or ou en dollars de 2 % du montant souscrit. Une autre fraction de 18 % de la souscription était payable dans la monnaie du pays membre considéré et, bien que cette somme fût techniquement libérée, sous la forme de bons ne portant pas d'intérêt, elle ne pouvait être utilisée sans le consentement du pays membre. Seuls les Etats-Unis et le Canada furent à même, quelque temps après la guerre, d'autoriser l'encaissement de ces bons. Depuis, la plupart des autres pays industrialisés ont

libéré la fraction en monnaie nationale de leur souscription sur une base convertible. mais les souscriptions de nombreux pays membres sous-développés de la Banque restent bloqués de cette manière.

Des représentants de quarante-quatre pays assistaient à la conférence de Bretton WOODS. La plupart de ces pays ont adhéré à la Banque, bien que l'Union Soviétique fut l'un de ceux qui ne l'ont pas fait. Avec les adhésions ultérieures, dont plus de trente sont intervenues au cours des deux dernières années, le nombre total des membres de la Banque a juste dépassé la centaine. La souscription de chaque membre est en général en rapport avec le quota qu'il a reçu dans notre organisation sœur, le FMI ; elle repose indirectement sur une vieille formule, assez compliquée, reflétant la puissance économique de chaque membre en 1946. Sur la base de cette formule, l'accord de Bretton Woods a partagé le capital autorisé entre les futurs membres de la Banque. Les Etats-Unis ont reçu la plus forte part, soit 3.175 millions de dollars ; le Royaume-Uni vient ensuite avec une part de 1.300 millions de dollars, puis tous les autres membres, avec en dernier le Panama dont la part est de 200.000 dollars. En 1959 le capital de la Banque fut doublé et la plupart des membres doublèrent leur propre souscription sans avoir effectué aucun versement en espèces. Les Etats-Unis restent donc le plus gros actionnaire, avec une quote-part de 6.350 millions de dollars ; puis viennent le Royaume-Uni avec 2.600 millions de dollars, la France et l'Allemagne avec 1.050 millions de dollars chacune. L'Inde, le Canada et la République de Chine suivent de près.

Il est assez fréquent, parmi les organisations internationales, notamment aux Etats-Unis, de procéder à des évaluations finan-

cières de ce genre, basées sur la capacité de paiement. Mais la différence fondamentale entre la Banque et la plupart des autres organisations internationales est que le droit de vote pour la conduite des activités est chez nous proportionnel aux contributions financières des pays membres. Il est vrai que même le plus petit souscripteur a un nombre minimum de voix. Mais le nombre de voix dont disposent les plus petits actionnaires est largement dépassé par celui des gros actionnaires : les Etats-Unis détiennent à eux seuls près des trois dixièmes des voix ; le Royaume-Uni en a plus d'un dixième, et en s'alliant à la France, à l'Allemagne et au Canada ces deux puissances peuvent, si elles le désirent, réunir la majorité des voix contre les quatre-vingt-dix et quelques autres pays qui sont actuellement membres de la Banque.

Ces droits de vote sont détenus en premier lieu par le Conseil des Gouverneurs de la Banque, auguste assemblée qui est composée principalement des Ministres des Finances et des Gouverneurs des Banques Centrales. Les Gouverneurs ne se réunissent qu'une fois par an, et ils ont délégué en fait la plupart de leurs pouvoirs à un conseil de dix-neuf Administrateurs. Ces Administrateurs, qui résident en principe à Washington (où se trouve notre siège), assurent la conduite des opérations générales de la Banque. La plupart d'entre eux consacrent tout leur temps à ces fonctions et certains les assurent également auprès du FMI. Cinq d'entre eux sont nommés par les cinq plus gros actionnaires, c'est-à-dire les Etats-Unis, le Royaume-Uni, la France, l'Allemagne et l'Inde. Les autres Administrateurs représentent des groupes de pays de manière à réunir un nombre de voix suffisant pour leur permettre de se faire entendre avec auto-

rité lors des conseils de la Banque. Certains de ces groupes ont des affinités assez naturelles. Ainsi les cinq pays nordiques sont actuellement représentés par une Danoise, la seule femme siégeant au Conseil de la Banque. D'autres groupes offrent un ensemble assez disparate, comme la conjoncture de Chypre, d'Israël, des Pays-Bas et de la Yougoslavie représentée par un Hollandais. Il y a aussi un groupe important de vingt-quatre pays, africains pour la plupart, qui est représenté par notre dix-neuvième Administrateur récemment élu en la personne d'un Nigérien.

Je n'ai pas l'intention de faire valoir les arguments qu'on peut avancer en général pour ou contre ce système de vote pondéré en l'opposant au système plus courant dans lequel chaque pays dispose d'une voix. Je reconnais que dans une organisation politique comme l'Assemblée Générale des Nations Unies il serait très difficile d'appliquer ce système. Mais pour la conduite d'une institution essentiellement financière il fonctionne de façon assez satisfaisante. Et c'est un hommage que nous rendons là à l'harmonie parfaite qui règne entre les Administrateurs, et aux relations qu'ils ont nouées avec les gouvernements qu'ils représentent comme avec les cadres de la Banque.

Dans leurs rapports avec les gouvernements les Administrateurs se sont souvent employés à devenir autant les représentants de la Banque dans leur pays que les représentants de leur pays à la Banque. Il est évident que si le Gouvernement Français ou le Gouvernement Allemand a une option bien arrêtée sur une question, l'Administrateur qu'il nomme exprimera cette opinion. Mais en même temps l'influence que chaque Administrateur peut avoir au sein du Conseil

dépend beaucoup plus de son expérience et de son jugement que du nombre de voix dont il dispose.

Les relations des Administrateurs avec le personnel supérieur de notre organisation ont aussi une grande importance. La Banque a déjà eu un certain nombre de Présidents fort capables et d'une grande autorité et l'un d'eux, Eugène Black, est resté en fonction de 1949 au début de 1963, époque à laquelle George Woods lui succéda. D'une manière générale toutes les propositions qui sont soumises aux Administrateurs, qu'il s'agisse de prêts ou de questions de principe, émanent du personnel supérieur de la Banque. Celles qui ont trait à la politique générale sont longuement débattues au cours des réunions du Conseil jusqu'à ce qu'un accord total soit réalisé : il y a peu de votes formels. Les propositions relatives aux prêts et à d'autres opérations ne sont soumises aux Administrateurs qu'après la discussion officieuse de points délicats ; aussi le fait qu'aucune proposition formelle n'ait jamais été rejetée ne prouve pas, comme on pourrait le penser, que le Conseil joue un rôle symbolique mais qu'il existe au contraire une coopération étroite et constante entre les Administrateurs et le personnel supérieur. Afin qu'on ne puisse m'accuser de partialité j'ajouterai que j'ai pu personnellement éprouver la solidité de ce lien, d'abord comme suppléant de l'Administrateur britannique et maintenant comme Vice-Président de la Banque.

Les souscriptions des membres de la Banque présentent certes de l'importance parce qu'elles déterminent le nombre de voix dont dispose chaque pays, mais elles constituent surtout l'élément de base des ressources financières de la Banque.

En tout, la quote-part libérée de ces souscriptions s'élève actuellement à environ 2.100 millions de dollars, dont 400 millions de dollars approximativement ne sont toujours pas disponibles pour des prêts. Il reste donc un montant de 1.700 millions de dollars que la Banque peut librement utiliser pour ses opérations. Mais cela ne représente même pas la moitié, il s'en faut de beaucoup, du total des fonds dont nous disposons pour les prêts. Nous nous procurons des sommes bien plus importantes par d'autres moyens : en empruntant sur le marché ou en utilisant nos recettes.

Les emprunts en cours de la Banque atteignent actuellement un montant approximatif de 2.500 millions de dollars ; ils ont été placés sur les marchés des capitaux de tous les pays, et plus particulièrement auprès d'investisseurs privés des Etats-Unis et de l'Europe occidentale. En Europe occidentale, la Banque a lancé des émissions publiques d'obligations sur les marchés des capitaux de l'Autriche, de la Belgique, du Royaume-Uni, de l'Allemagne, de l'Italie, des Pays-Bas et de la Suisse ; nous avons aussi fait appel au secteur privé dans ces pays et dans la plupart des autres pays d'Europe. Un peu plus de la moitié de notre dette totale a été contractée envers des investisseurs qui n'appartiennent pas aux Etats-Unis. La Banque a pu se procurer ce montant considérable à des taux d'intérêt qui sont à peine supérieurs, voire égaux, à ceux que paient les gouvernements eux-mêmes, et ceci pour deux raisons principales. La première est la confiance que la Banque a su inspirer au cours de ses dix-sept années d'opérations — je dirai tout à l'heure quelques mots des résultats ainsi obtenus. L'autre raison est que les investisseurs savent bien que nous pouvons disposer de sommes encore plus

importantes, par des appels de fonds, pour rembourser nos emprunts si jamais nous étions en difficulté. Ces montants sont, bien entendu, les fractions des souscriptions de nos pays membres qui n'ont pas été versées mais qui peuvent toujours être appelées. A elle seule la garantie des Etats-Unis s'élève à 5.715 millions de dollars, soit plus du double de nos emprunts en cours ; si on y ajoute les garanties des autres pays industrialisés, la couverture de notre dette représente environ le quadruple de son montant.

Les souscriptions non appelées de la Banque sont l'ultime garantie de nos emprunts. Mais la Banque dispose déjà d'une première couverture, très substantielle, puisqu'elle peut mobiliser un montant très supérieur à 800 millions de dollars avec les recettes accumulées à la suite de ses prêts antérieurs. Une partie de ces recettes doit rester sous une forme liquide pour constituer une Réserve Spéciale immédiatement disponible couvrant les risques de pertes, or cette réserve dépasse actuellement 260 millions de dollars. Le reste de notre revenu net accumulé constitue également pour la Banque une protection contre les risques de pertes, mais il représente aussi une troisième source importante de financement de nos prêts avec un montant qui atteint actuellement près de 600 millions de dollars. Comme le Conseil n'a jamais été partisan de verser un dividende aux gouvernements membres, nous disposons ainsi chaque année d'un montant supplémentaire d'environ 80 millions de dollars disponible pour des prêts. De même que notre capital appelé, ces recettes sont mobilisables sans frais.

Ces trois sources, capital, emprunts et recettes, constituent à l'origine la masse de fonds disponible pour nos prêts. Mais d'au-

tres contributions viennent en fait la compléter. Les remboursements de prêts antérieurs ont permis à la Banque de reprêter environ 700 millions de dollars. En outre, la Banque cède à des institutions financières d'Europe et d'Amérique une partie de ses créances (ordinairement les tranches des prêts dont l'échéance est assez proche) et reconstitue ses ressources liquides. Ces cessions ont produit plus de 1.700 millions de dollars.

A l'aide de ces ressources diverses nous avons pu engager des prêts pour un montant global d'environ 7.500 millions de dollars, sur lesquels près de 6.000 millions ont déjà été déboursés. En regard de ces engagements, je vous l'ai dit, les souscriptions des gouvernements à notre capital ont fourni environ 1.700 millions de dollars ; elles ont été versées lors de l'adhésion de chaque pays à la Banque. Nous n'avons pas reçu, ni demandé, d'autres contributions aux gouvernements, pas plus pour couvrir les dépenses d'exploitation que pour alimenter les fonds susceptibles d'être prêtés. Le solde d'environ 5.800 millions de dollars a été ou sera couvert entièrement avec nos propres recettes et avec les fonds provenant de la cession de nos obligations ou de portions de nos prêts sur les marchés des capitaux de tous les pays.

La plupart des prêts de développement ont financé des projets d'infrastructure qui permettent d'étayer le reste de l'économie d'un pays, mais qui n'attirent pas en général les investisseurs privés. Le tiers environ du montant total de nos prêts a financé le développement de la production d'électricité, notamment des ensembles hydro-électriques et thermo-électriques ainsi que des réseaux de transport. Un exemple vous donnera une idée de l'importance de cette catégorie de prêts :

dans les quatorze pays de l'Amérique centrale et de l'Amérique du Sud qui ont bénéficié de prêts intéressant le secteur de l'énergie, les projets que nous avons financés ont permis en moyenne de doubler la puissance totale de production par rapport à 1948. De même, un autre tiers du total de nos prêts a financé des réseaux routiers et ferroviaires et des installations portuaires, ainsi que deux oléoducs et quelques avions pour compléter le tout. Enfin le dernier tiers a été principalement affecté à l'industrie et à l'agriculture. Les prêts industriels étaient destinés en général aux industries lourdes, comme les industries sidérurgiques ou minières, ou encore, par l'intermédiaire d'organismes de financement du développement des pays emprunteurs, à des entreprises industrielles dont les projets sont trop limités pour que nous puissions les suivre efficacement depuis Washington. Les prêts agricoles ont financé en général d'assez vastes programmes, en particulier des projets d'irrigation ou de protection contre les inondations qui nécessitent de gros investissements.

La plupart de ces prêts ont été consentis à des pays sous-développés, mais nous en avons aussi accordés à certains pays très avancés, comme l'Australie et la Norvège, qui ne peuvent se procurer par l'emprunt ordinaire les moyens financiers importants dont ils ont besoin. La répartition géographique de nos prêts est assez équitable : l'Asie, qui est la région la plus peuplée, a absorbé la plus forte part, puis viennent l'Hémisphère occidental, l'Europe et l'Afrique. L'Inde est notre plus gros emprunteur individuel ; le Japon occupe la seconde place, et le Mexique la troisième.

Bien que la Banque puisse se targuer d'être la principale source de financement de l'aide multilatérale au développe-

ment, sa part dans l'effort total d'assistance est faible par rapport à celle des programmes d'aide bilatérale. Mais notre souci majeur a toujours été l'efficacité plutôt que le volume de notre contribution financière. Notre qualité d'organisation internationale indépendante nous permet, entre autres avantages, de ne pas avoir à consentir des prêts pour des raisons d'opportunité politique ou commerciale.

Ainsi, pour nos emprunteurs, un prêt de la Banque sera souvent plus intéressant qu'un prêt de même importance accordé sur une base bilatérale. Car un prêt bilatéral est ordinairement lié à l'achat de biens ou de services dans le pays prêteur, alors que nos emprunteurs sont libres de dépenser le produit d'un prêt de la Banque dans n'importe quel pays membre de la Banque (et même en Suisse, eu égard au fait que ce pays a bien voulu ouvrir à la Banque son marché des capitaux).

Les résultats de nos appels d'offres pour l'exécution des contrats financés par la Banque font apparaître de grandes différences dans les prix des soumissions présentées par les différents pays. Dans un cas, par exemple, des fournisseurs appartenant à six pays industrialisés ont fixé leurs prix pour l'équipement d'une cimenterie. Le meilleur prix établi par des fournisseurs du pays « A » était de 450.000 dollars. Or le pays « B » a obtenu le contrat en offrant un équipement similaire, et tout à fait satisfaisant, pour 176.000 dollars seulement. Les deux pays en question se trouvent en Europe occidentale ; la différence de prix est d'environ 150 %. Dans le cas d'un autre prêt récent, des fournisseurs appartenant à neuf pays ont pré-

senté leurs offres pour la fourniture de locomotives diesel-électriques lourdes destinées à l'Extrême-Orient. Le pays « C » demandait un prix unitaire de 151.000 dollars, y compris les frais d'expédition au client ; le pays « D » n'a pas pu établir un prix inférieur à 251.000 dollars, prix qui ne comprenait pas les frais d'expédition.

S'il est rare que les écarts entre les prix demandés soient aussi larges, une marge de 20 à 40 % est néanmoins tout à fait normale. Ce qu'il importe de ne pas oublier c'est que, dans un prêt bilatéral lié à des achats dans le pays prêteur, l'emprunteur n'aura peut-être pas le choix et devra payer le prix fort. Peut-être même sera-t-il obligé de payer plus encore, car les fournisseurs pourraient bien relever leurs prix sachant qu'ils n'auront pas à affronter la concurrence d'autres pays. Au contraire, lorsque l'achat n'est pas lié, comme dans le cas d'un prêt de la Banque, l'emprunteur peut passer ses commandes au fournisseur le moins cher.

La libre prospection des marchés n'est que l'une des raisons pour lesquelles les prêts de la Banque peuvent être singulièrement efficaces. En tant qu'organisation multilatérale, la Banque peut limiter ses prêts aux projets pour lesquels elle a obtenu l'assurance, après une étude très approfondie, qu'ils contribueront utilement au progrès économique du pays emprunteur ; et c'est ainsi qu'elle procède. Elle n'assortit jamais ses prêts des conditions commerciales ou politiques qui sont, parfois explicitement et souvent implicitement, attachées à l'aide bilatérale, mais nous n'hésitons pas pour autant à exiger certaines conditions que nous estimons nécessaires au succès d'un projet.

Dès les premières années la Banque a employé cette méthode pour ses prêts, et elle continue de le faire. Il était apparu autrefois que la Banque pourrait s'acquitter de la plupart des tâches qui lui incombent à l'égard des pays membres en se livrant à des opérations directes de prêts, mais elle a peu à peu été amenée à étendre son champ d'action. A cet égard l'événement le plus spectaculaire a été la création, il y a trois ans environ, de l'Association Internationale de Développement, appelée couramment l'IDA.

La création de l'IDA a été essentiellement motivée par la charge croissante que le service de la dette fait peser sur un grand nombre de pays sous-développés. Que la dette extérieure d'un pays augmente n'a en soi rien d'inquiétant si sa force économique s'accroît aussi. Mais de nombreux pays sont en mesure d'utiliser efficacement un montant de capitaux extérieurs beaucoup plus élevé que celui qu'ils peuvent, sans danger, s'engager à rembourser aux conditions classiques. Dans certains cas, leur capacité limitée de contracter des emprunts de type usuel n'est que la conséquence de leur pauvreté. Dans d'autres, elle reflète la structure défavorable de leurs dettes actuelles, souvent contractées inopportunément à court terme, sous la forme par exemple de crédits à l'exportation à trois ou cinq ans d'échéance alors que des délais de remboursement de dix ou même quinze ans eussent été bien préférables. Dans une certaine zone géographique la structure de la dette est aujourd'hui si défavorable que la moitié des emprunts extérieurs en circulation doivent venir à échéance au cours des cinq prochaines années.

Le problème que pose la charge de la dette se trouve encore aggravé dans le cas

de la plupart des pays sous-développés par la baisse générale des prix des exportations qui leur permettent d'assurer le service de leurs dettes extérieures. Le personnel de la Banque vient de rassembler quelques statistiques qui mettent en lumière la position de la dette et les recettes d'exportation d'un groupe de trente-quatre pays comptant 70 % environ de la population totale du monde sous-développé. De 1955 à 1961, le montant global de la dette extérieure contractée ou garantie par les gouvernements des pays appartenant à ce groupe a plus que doublé. Or, pendant la même période, les recettes d'exportation des pays en question ont augmenté d'un peu plus de 15 %. Dans ces conditions, la forte pression que le service de la dette exerce sur les ressources d'un pays risque ou bien d'arrêter le développement économique, ou bien d'obliger l'emprunteur à faillir à ses engagements envers ses créanciers. Toute question de moralité mise à part, celui qui ne paie pas ses dettes peut être à peu près certain qu'à l'avenir il aura plus de difficultés à obtenir des prêts.

L'Association Internationale de Développement a vu le jour en 1960. Son but est de consentir des prêts à long terme avec un intérêt minimum de façon à alléger la charge que le service de la dette impose aux pays moins développés. Bien que financièrement indépendante de la Banque, l'Association fait partie intégrante de celle-ci ; en fait, elle est simplement un fonds spécial dont la Banque peut disposer lorsqu'elle estime qu'un projet a une justification économique et qu'un gouvernement suit une politique rationnelle, mais qu'en raison de la situation de la balance des paiements de ce pays il est souhaitable d'offrir des conditions de remboursement plus favorables. L'Association diffère profondément de la

Banque sur un point très important : les conditions dont elle assortit ses prêts lui interdisent d'emprunter sur le marché, de sorte qu'elle est totalement tributaire des gouvernements membres sur le plan financier.

L'IDA accorde des prêts, et non des dons, qui sont remboursables en monnaies convertibles. Mais il s'écoulera longtemps avant qu'elle recouvre ses fonds, et ses recettes seront toujours infimes : tous les prêts consentis jusqu'à présent ne coûtent à l'emprunteur qu'une commission de service de moins de 1 % qui est destinée à couvrir les frais d'administration, et les remboursements ne commencent qu'au bout de dix ans en s'échelonnant sur les quarante années suivantes. Avec un taux de rendement aussi faible, l'IDA n'est pas en mesure de contracter des emprunts auprès du secteur privé, et elle ne pourra pas davantage accumuler des recettes suffisantes pour financer des prêts. A la différence de la Banque, elle est inévitablement amenée à faire périodiquement appel à ses membres pour reconstituer ses ressources.

La plupart des pays membres de la Banque ont adhéré à l'IDA dont l'organisation ressemble beaucoup à celle de la Banque, puisque les droits de vote sont proportionnels à la souscription initiale. Il y a toutefois de grandes différences qui tiennent à la structure comme à l'importance des souscriptions. Lors de la création de l'IDA, tous les futurs membres ont été répartis en deux groupes : les pays les plus évolués et les nations moins développées. Les pays du premier groupe ont accepté d'acquitter toute leur souscription en or ou en monnaies convertibles ; les pays moins développés ont versé seulement le dixième de leur souscrip-

tion en fonds convertibles ; les neuf dixièmes restants sont payables en monnaie nationale et, jusqu'à présent, l'IDA n'a pas pu les utiliser plus que la Banque ne l'a fait pour les souscriptions immobilisées en monnaie nationale. Cette formule a donné à l'IDA un fonds initial d'environ 765 millions de dollars qui peut être utilisé pour des prêts. En outre, la Suède a fourni 10 millions de dollars à titre de contributions spéciales qui viennent s'inscrire dans le cadre de son effort d'aide au développement.

La plupart de ces ressources ont déjà été engagées. Les crédits de développement de l'IDA, car ils sont désignés ainsi, sont destinés à un groupe plus restreint de pays que les prêts de la Banque, à cause des problèmes spéciaux qu'ils doivent contribuer à résoudre. L'Inde est, de loin, le plus gros emprunteur ; le Pakistan a la seconde place. Mais les projets à financer ressemblent beaucoup à ceux qui sont couverts par les prêts de la Banque : ils concernent l'équipement des réseaux routiers et ferroviaires, la construction de centrales électriques et des travaux d'irrigation. Il y a cependant des différences. Les conditions spéciales des crédits IDA doivent permettre d'atténuer les difficultés de balance des paiements, mais non pas de subventionner des projets particuliers. C'est pourquoi nous n'octroyons des crédits qu'aux gouvernements et exigeons, lorsque les fonds doivent être reprêtés à des entreprises productrices de revenus (publiques ou privées), que ce second prêt soit consenti à des conditions commerciales ordinaires en harmonie avec le coût réel de l'argent. D'autre part l'IDA s'est engagée dans des voies où la Banque ne s'était encore jamais aventurée puisqu'elle a consenti des prêts pour financer des projets d'adduction d'eau et des constructions scolaires. Les similitudes sont toutefois plus importantes que

les différences. Tout d'abord, nous appliquons des critères techniques et économiques tout aussi sévères pour apprécier les projets proposés et les politiques des pays emprunteurs, sans distinguer si les fonds seront fournis par la Banque ou par l'IDA. Nous offrons aux emprunteurs de l'IDA un moyen d'atténuer leurs difficultés de balance des paiements, mais nous n'appuyons pas des projets non rentables ou des politiques déraisonnables.

Les ressources initiales de l'IDA ont déjà presque entièrement reçu une affectation et la cadence des nouveaux engagements est de l'ordre de 300 millions de dollars par an, aussi l'heure est-elle venue d'ouvrir un « second tour » de contributions. Les négociations relatives à cette opération se sont déroulées au cours de l'été dernier, et nos gouvernements membres ont en principe accepté de fournir à l'IDA un nouveau montant de 750 millions de dollars en monnaies convertibles. Ces fonds seront engagés au cours des trois prochaines années, et les pays acquitteront leurs contributions en trois versements annuels à partir de novembre 1965. Cette fois, seuls les pays membres industrialisés fourniront les contributions. Les Etats-Unis verseront un montant de 312 millions de dollars ; la part du Royaume-Uni sera de 96,6 millions de dollars, celles de l'Allemagne et de la France respectivement de 72,6 et de 61,9 millions de dollars.

Ce « second tour » de contributions permettra à l'IDA de poursuivre sa tâche pendant trois nouvelles années. Mais il faudra que la Banque, elle aussi, continue d'orienter ses activités en fonction des besoins changeants de ses pays membres ; et, surtout, elle devra s'outiller pour être à même de se pencher sur les problèmes pro-

pres aux trente et quelques pays qui lui ont donné leur adhésion depuis deux ans. Presque tous ces nouveaux membres ont obtenu récemment leur indépendance, sont extrêmement pauvres et dans une large mesure inexpérimentés. Il est évident que, pour faire face à nos responsabilités, nous devons mettre à l'épreuve de nouveaux types et de nouvelles méthodes de prêts et fournir une aide accrue pour la préparation des programmes et des projets. Nous étudions actuellement ce problème, mais nous savons déjà à peu près ce que nous pourrions faire, et aussi ce que nous ne voulons pas faire.

Il est fort probable que nous allons élargir notre champ d'action dans trois domaines particuliers : l'aide accordée à l'agriculture, à l'industrie et à l'enseignement. Dans ces trois secteurs, notre tâche sera plus compliquée que lorsque nous nous attaquions de façon assez directe aux grands projets d'infrastructure qui constituaient et demeureront notre principale activité ; ces trois secteurs présentent cependant une importance primordiale.

Il n'est pas besoin d'insister sur la place qu'occupe l'agriculture dans les pays sous-développés. Dans de nombreux pays, elle emploie quatre personnes sur cinq. Jusqu'à présent, nos prêts agricoles étaient surtout destinés à financer de grands projets d'irrigation, de lutte contre l'inondation ou de défrichement. Mais ce sont là des cas exceptionnels, et nous voulons étendre le domaine de nos activités : nous pouvons par exemple financer des investissements agricoles qui présentent un caractère essentiel comme la construction de routes reliant la ferme au marché ou des installations pour l'entreposage des récoltes. Nous pouvons également

aider les organisations qui fournissent une assistance technique à l'exploitant. En tant que banquiers, nous devrions être particulièrement bien placés pour faciliter la création d'installations locales de financement de crédit et d'investissements agricoles.

Dans le secteur de l'industrie, également, nous estimons qu'il y a beaucoup à faire. Notre filiale, la Société Financière Internationale, s'occupe déjà de ce secteur. Elle accorde des prêts à l'industrie privée sans la garantie du gouvernement, et il existe entre nous une bonne répartition des tâches. En ce qui concerne la Banque, une forme d'assistance toute indiquée serait l'octroi de prêts à long terme pour financer l'établissement d'industries entièrement nouvelles dans un pays. Ces industries seront peut-être longues à démarrer, mais elles offrent le meilleur moyen de diminuer à la longue l'extrême dépendance des exportations d'une ou deux matières premières dont souffrent tant de nos membres. Une autre possibilité, qui, je l'espère du moins, ne se présentera que dans de rares cas, consisterait à offrir des moyens financiers pour couvrir l'achat d'importations dites « d'entretien ». Elles seraient d'une grande aide pour un ou deux pays qui ne peuvent utiliser à plein leur capacité de production existante parce qu'ils manquent de devises pour acheter à l'étranger les éléments et pièces de rechange essentiels.

Il est encore une autre direction dans laquelle nous comptons bien accroître notre assistance à l'industrie. Une partie de nos prêts, comme je l'ai indiqué, est distribuée par le canal de sociétés privées de financement industriel dans nos pays emprunteurs. Depuis 1950, la Banque et la SFI ont contribué à financer plus d'une douzaine de ces

sociétés dont la plupart ont aussi été créées avec notre aide. Nous sommes convaincus qu'en fournissant des moyens financiers et des conseils aux petites et aux moyennes entreprises industrielles des pays en voie de développement, celles-ci trouveront auprès de nous ce que personne d'autre ne serait à même de leur offrir. Nous comptons bien intensifier cette activité.

Notre troisième domaine d'étude particulier est l'enseignement. L'IDA a accordé quelques prêts dans ce secteur, mais la Banque n'en a jamais encore consenti. Il est reconnu que l'enseignement revêt une importance capitale pour le développement économique. Les pays en voie de développement ont un besoin particulièrement urgent d'écoles techniques et professionnelles, qui fournissent une main-d'œuvre de niveau moyen ainsi que les spécialistes de l'agriculture et d'autres questions dont les efforts se traduisent assez rapidement par un progrès économique dans le pays. Nous voudrions contribuer au financement de ces écoles.

Pour nous engager dans ces nouvelles voies, nous partons d'une position déjà solide, qui est étayée par d'importantes réserves et par un apport continu de recettes. Nous voulons nous servir de cette force au lieu de la garder en réserve. En tant qu'institution financière soumise aux fluctuations du marché, nous continuerons forcément de demander pour nos prêts des taux d'intérêt en rapport avec le coût des capitaux. Mais nous pouvons effectivement réduire la charge imposée à nos emprunteurs par d'autres moyens dans des cas appropriés ; ainsi l'allongement du délai de carence avant les remboursements peut diminuer la tension financière pendant la période où le projet commence à entrer dans sa phase de rap-

port ; parfois il pourra être opportun d'allonger la période des remboursements. D'autre part nous avons jugé que la position financière de la Banque était maintenant suffisamment solide pour qu'il ne soit plus nécessaire d'affecter automatiquement le revenu net à la réserve. Dorénavant, nous déciderons après la clôture de chaque exercice s'il convient d'affecter le revenu de cet exercice à la réserve ou à une autre utilisation.

Il est probable que plus nous retiendrons des projets difficiles et risqués dans des pays peu expérimentés, plus nous serons obligés d'offrir une assistance technique pour amener ces projets au stade où leur financement peut être mis au point. Le programme d'assistance technique de la Banque est de longue durée et très diversifié. Il comprend des stages de formation sur les problèmes du développement économique, le détachement sur place de conseillers économiques, et de nombreux autres services les plus divers. Mais si nous élargissons nos activités dans le sens que j'ai indiqué, il est évident que nous serons de plus en plus sollicités en matière d'assistance technique. Nous devons en partie répondre aux demandes qui relèvent de notre compétence en augmentant nos effectifs. Mais nous comptons bien aussi travailler en liaison beaucoup plus étroite que par le passé avec d'autres organisations, en particulier avec les autres Institutions Spécialisées des Nations Unies.

Voilà ce que nous comptons faire. Mais nous savons aussi, comme je l'ai indiqué tout à l'heure, ce que nous ne ferons certainement pas. Nous n'abaisserons pas nos critères qualitatifs pour l'appréciation des projets. Nous resterons toujours aussi fermement opposés aux politiques que nous

estimons contraires au développement économique. Nous ne compromettrons pas notre crédit auprès des investisseurs privés puisque nous resterons dans une large mesure tributaires de cette source de financement pour nos prêts. En somme, nous continuerons à faire preuve des qualités qui ont souvent exaspéré un grand nombre de nos emprunteurs : nous resterons prudents et pragmatiques, certains ont même dit autoritaires, mais sans être, je crois, dénués d'imagination ni indifférents. Cette méthode a maintenant fait ses preuves à la Banque comme auprès de ses emprunteurs, et c'est bien grâce à elle, tel est du moins notre avis, que la Banque est devenue un instrument extraordinairement efficace pour servir les objectifs qu'elle s'est assignés.

Text of Address by Mr. Geoffrey M. Wilson, Vice-President, International Bank for Reconstruction and Development and International Development Association, to the Economic Commission of the Council of Europe, December 16, 1963

WORLD BANK OPERATIONS

AND

SOME OF THE PROBLEMS ENCOUNTERED

As you probably know, the World Bank was conceived at the Bretton Woods Conference held in the summer of 1944. It started work in mid-1946. Its main task, at which it has now been laboring for more than seventeen years, is that of providing (in the words of its Articles of Agreement) "finance for productive purposes out of its own capital, funds raised by it and its other resources".

The capital structure of the Bank is the key not only to its methods of financing, but also to the means by which it is governed. At its establishment, the Bank was provided with an authorized capital of \$10,000 million. Countries subscribing for shares were required to pay in only one-fifth of their subscription on joining, the remainder being available on call, but only to meet the Bank's liabilities if it got into difficulties. Moreover, not even the one-fifth had to be paid over in hard cash at that time. The sole cash requirement was the payment in gold or dollars of 2% of each country's subscription. A further 18% of the subscription was payable in the currency of the member country concerned, and although this sum was technically paid in, in the form of notes bearing no interest, it could not be used without the member's permission. Only the United States and Canada were in a position for some time after the war to allow these notes to be

cash. Most of the other industrialized countries have since freed the national currency part of their subscriptions on a convertible basis, but the subscriptions of many of the underdeveloped members of the Bank are still largely frozen in this way.

Representatives of forty-four countries had attended Bretton Woods. Most of them joined the Bank, although the Soviet Union was one of those that did not. Subsequent accessions, more than thirty of them in the last two years alone, have brought the total membership of the Bank to just over one hundred countries. The subscription of each member is generally related to its quota in our sister organization, the IMF; indirectly, it is founded on an old and somewhat complicated formula designed to reflect the economic strength of each member in 1946. On the basis of this formula, the Bretton Woods Agreement parcelled out the authorized capital among the prospective members of the Bank. The United States was given the largest allocation, at \$3,175 million, the United Kingdom the second biggest, at \$1,300 million, and the other members, amounts ranging down to the \$200,000 of Panama. In 1959, the capital of the Bank was doubled and most members doubled their own individual subscriptions, without making any further cash payment. In consequence, the United States is still the largest shareholder, at \$6,350 million, followed by Britain, at \$2,600 million, and by France and Germany, with \$1,050 million apiece. India, Canada and the Republic of China are fairly close behind.

This kind of financial assessment on the basis of ability to pay is common enough among international organizations, including most notably the

United Nations itself. But a fundamental difference between the Bank and most other international organizations is that voting power over the conduct of the Bank's activities is related to these financial contributions. It is true that even the smallest subscriber gets a minimum number of votes. But the voting power of the smaller shareholders is far outweighed by the big contributors: the United States alone wields almost three-tenths of the votes; the U.K. casts more than one-tenth; and when these two are allied with France, Germany and Canada they can command a voting majority, should they wish it, over the ninety-odd other countries that are now members of the Bank.

These voting rights are held in the first instance by the Bank's Board of Governors, an august body consisting mainly of Ministers of Finance and Governors of Central Banks. The Governors meet only once a year, and they have delegated most of their responsibilities to a working Board of nineteen Executive Directors. These Executive Directors, who are generally based (like the Bank itself) in Washington, direct the general operations of the Bank. Most of them serve full time, with several doubling as Directors of the IMF as well. Five of the Directors are nominated by the five largest shareholders, the U.S., the U.K., France, Germany and India. The remainder represent groups of countries, each group aggregating sufficient votes to provide the Director with an audible voice in the councils of the Bank. Some of the groupings are fairly natural, such as that formed by the five Nordic countries which are now represented by the only woman on the Bank's Board, a Dane. Some are strangely disparate, like the conjuncture of Cyprus, Israel, the Netherlands and Yugoslavia that is represented by a Dutchman.

And there is one enormous group of twenty-four countries, mostly African, that is represented by our newly-elected nineteenth Executive Director, a Nigerian.

I don't propose to argue any general case for or against this weighted system of voting compared with the more familiar one of "one country, one vote". I can see that in a political organization such as the United Nations General Assembly the system would be very difficult to apply. But in the conduct of an essentially financial institution it works pretty well -- a tribute to the very real harmony that prevails in the Board of Directors and to the relationship that they have built up with the governments they represent, and with the officers with whom they work.

As far as the relationship with governments is concerned, the Executive Directors have tended often to become as much the representatives of the Bank with their countries as they are representatives of their countries with the Bank. Of course, if the French or German government has strong views on an issue, the Director it appoints will voice those views. But at the same time, the weight that individual Directors carry in the Board reflects their experience and judgment, much more than their voting power.

The relationship of the Board to the officers is also very important. The Bank has had a succession of strong and capable Presidents, of whom one, Eugene Black, held office from 1949 until the beginning of this year, when he was succeeded by George Woods. On the whole, both loan and policy proposals considered by the Board are initiated by the officers of the Bank. General policy proposals are thrashed out in Board meetings until a consensus

is reached: there are few formal votes. Proposals for loans and other operations are not brought to the Board until any difficult issues have first been discussed informally, so that the fact that no formal proposals have ever been rejected is not, as it might suggest, evidence that the Board is a mere rubber stamp, but on the contrary shows the close and continuous working relationship between Directors and officers. Lest this sound unduly complacent, let me add that I have experienced both sides of this relationship, first as alternate to the U.K. Director, and now as a Vice-President of the Bank.

The subscriptions of the Bank's members are of importance as governing the number of votes cast by each country, but their greatest significance is of course as the basic element in the financial resources of the Bank.

Altogether, the paid in portion of these subscriptions now amounts to about \$2,100 million, of which roughly \$400 million is still unreleased for lending by the Bank. That leaves \$1,700 million of capital freely available for use in the business. But this is much less than half of the total funds available to us for lending. We draw much more money from other sources: from our borrowings in the market, and from our earnings.

The Bank's outstanding borrowings amount now to roughly \$2,500 million, raised in the capital markets of the world, and most particularly from private investors of the United States and Western Europe. In Western Europe it has made public bond issues in the capital markets of Austria, Belgium, Britain, Germany, Italy, the Netherlands and Switzerland, and we have borrowed privately in these and most other countries of Europe. Somewhat more

than half of our total debt is owed to non-U.S. investors. It has been possible for the Bank to raise this enormous sum, at interest rates little or no higher than are paid by governments themselves, for two basic reasons. One is the confidence in the Bank that has been engendered by its record of operations over the past seventeen years -- a record about which I want to say something in just a moment. The other reason is that investors know that we have available still larger sums which we can call upon to repay our borrowings, should we ever be in difficulty. These sums are of course the portions of our member countries' subscriptions that have not been paid in, but remain on call. The United States guarantee alone amounts to \$5,715 million, or more than twice our outstanding borrowings, and when the guarantees of the other industrialized countries are added, the cover for our debt rises to roughly four times.

The Bank's uncalled subscriptions are the final guarantee for our borrowings. As a very substantial first line of defence, however, the Bank can call upon well over \$800 million of accumulated earnings on past loans. A part of these earnings is required to be kept in liquid form as an immediately accessible Special Reserve against losses, and this reserve now exceeds \$260 million. The remainder of our net income, besides providing the Bank with a cushion against possible losses, constitutes a third major source of funds for our lending. These lendable earnings are now approaching \$600 million, and as the Board has always been reluctant to pay a dividend to member governments, and so a further \$80 million or thereabouts becomes available to us for lending each year. Like our paid-in capital, these earnings are available to us without cost.

These three sources, capital, borrowings and earnings, make up the original pool of funds for our lending. There are some further contributions, however, which in effect supplement this pool. Repayments of principal on earlier loans have allowed the Bank to turn over and re-lend about \$700 million. In addition, the Bank sells to financial institutions in Europe and America portions of its loans (usually installments that are due to be repaid within a fairly short time), and so replenishes its cash resources. These sales have provided more than \$1,700 million.

Together, these various sources of funds have enabled us to undertake loan commitments of some \$7,500 million, of which approaching \$6,000 million has now been disbursed. Toward these commitments, as I have already said, some \$1,700 million has been provided by government subscriptions to shares, paid in when the member country joined the Bank. We have not received, or sought, any further contributions from governments, either toward running expenses, or toward lendable funds. The balance of about \$5,800 million has been or will be met entirely from our own earnings and from funds raised by the sale of our bonds or of portions of our loans in the capital markets of the world.

The greater part of this development lending has financed the so-called infrastructure projects, which provide the framework supporting the rest of a country's economy, but which generally do not attract private investors. Thus about a third of the total has financed the development of electric power, including both hydroelectric and thermoelectric projects as well as

transmission lines. To give you an idea of the scope of this power lending, for example: in the fourteen countries in Central and South America where we have lent for power, the projects financed by us have on average amounted to a doubling of their generating capacity as compared with 1948. On a similar scale, another third of our lending has financed railways, roads and ports, with a couple of pipelines and a few aircraft thrown in for good measure. Most of the rest has been split between industry and agriculture. The industrial lending has largely gone into heavy industry, such as iron and steel or mining, or has been channelled into development finance companies in the borrowing countries themselves, to be passed on to industrial firms whose projects are too small for us to deal with effectively from Washington. The agricultural loans have generally been for comparatively large schemes, and especially for projects for flood control or irrigation that involve heavy capital spending.

Most of these loans have been made to the underdeveloped countries, although we have also lent to some quite well-off countries, such as Australia and Norway, whose need for capital is bigger than they can meet through ordinary borrowing. The lending has been fairly evenly distributed about the world: Asia, the most heavily populated region, has taken the largest share, followed by the Western Hemisphere, Europe and Africa. India is our largest individual borrower, with Japan in second place and Mexico in third.

Although the Bank can claim to be the largest source of multilateral aid for development, its share in the total aid effort is small in comparison

with that of bilateral aid programs. But we ourselves have always been more interested in the effectiveness than in the scale of our lending. It is one of the benefits of being an independent international organization that we do not have to lend for reasons of political or commercial convenience.

For example, our borrowers can often get better value from a Bank loan than from a loan of similar size from a bilateral lender. Whereas a bilateral loan is commonly tied to the purchase of goods or services in the lending country, our borrowers are free to spend the proceeds of a Bank loan in any of the Bank's member countries (and also in Switzerland, in recognition of that country having opened its capital market to the Bank).

Our own records of competitive bidding under Bank-financed contracts show very wide variations in tender prices from different countries. In one case, for instance, suppliers from six industrialized countries quoted prices for equipment for a cement plant. The lowest price quoted by suppliers in country "A" was \$450,000. Country "B" got the contract by offering similar -- and entirely satisfactory -- equipment for only \$176,000. Both supplying countries are in Western Europe; the difference in price is about 150%. Under another recent loan, suppliers in nine countries tendered for the supply of heavy diesel-electric locomotives for use in the Far East. Country "C" offered to sell them at \$151,000 apiece, including the cost of shipment to the user; country "D" could not quote a better price than \$251,000 -- and that price did not include freight.

Whereas differences in quoted prices do not often run as high as in these cases, a range of 20-40% is perfectly normal. The important thing to remember is that under a bilateral loan, tied to procurement in the lending country, the borrower may well have no choice but to pay the highest of these prices. Indeed, he may have to pay even more, since it may well be that on occasion suppliers even raise their prices when they know that they will not have to contend with international competition. By contrast, when procurement is not tied, as under a Bank loan, the borrower can do his shopping in the least expensive market.

Freedom to shop around is only one of the reasons why Bank loans can be unusually effective. As a multilateral organization, the Bank can -- and does -- confine its lending to projects that it is convinced, after careful and thorough study, will make a worthwhile contribution to the economic progress of the borrowing country. The Bank sets none of the commercial or political conditions that are sometimes explicit, and often implicit, in bilateral aid -- but we are never reluctant to insist on any conditions that we think necessary to ensure a project's success.

This approach has been used by the Bank in its lending since its earliest years, and it still applies. But whereas it once appeared that the Bank could meet most of its responsibilities toward its member countries through such straightforward lending operations, it has gradually been driven to enlarge the scope of its activities. The most spectacular enlargement of these activities came about three years ago with the establishment of the International Development Association -- known for short as IDA.

The background to the creation of IDA is the increasing burden of debt service being carried by many underdeveloped countries. In itself, the fact that a country's external debt is growing is nothing to worry about, if its

economic strength is also growing. But there are many countries able to make good use of considerably more outside capital than they can safely undertake to repay on conventional terms. In some of these countries, their limited ability to borrow on such terms simply reflects their poverty. In others, it reflects the unfavorable structure of their present debts, often incurred on unsuitably short terms -- for instance, in the shape of three or five-year commercial export credits when a more appropriate term of repayment would have been ten or fifteen years. There is one geographic area where today the structure of debt is so unfavorable that half of all the outstanding foreign borrowings fall due for repayment within the next five years.

This problem of the debt burden has been made still more difficult for most of the underdeveloped countries by the general decline in prices of the export products upon which they depend to finance the service of their overseas debts. The staff of the Bank recently assembled some illuminating statistics on this subject, covering the debt position and export earnings of a group of 34 countries that account between them for some 70% of the population of the underdeveloped world. Between 1955 and 1961, the total external debt owed or guaranteed by the governments of the countries in this group more than doubled. Yet over the same period, the export earnings of these countries increased by little more than 15%. In such circumstances, the heavy call of debt service on a country's resources is liable either to bring economic development to a halt, or else to drive the borrower to default on his creditors. And whatever one's views on the morality of not paying one's debts, there is no doubt that it is an excellent way of ensuring that people will be less happy to lend to you in future.

The International Development Association was brought into being in 1960. Its function is to lend at long term and minimum interest, in order to reduce the weight of debt service imposed on the less developed countries. It is financially separate from the Bank, but otherwise completely integrated with it; in effect it is simply a special fund available to the Bank to be used in cases where we consider that a project is economically justified, and that a government is following sensible policies, but that the balance of payments situation of the country concerned makes it desirable that generous terms of repayment be offered. It differs sharply from the Bank in one very important respect: its lending terms preclude it from borrowing in the market, and make it entirely dependent upon its member governments for funds.

IDA makes loans, not grants, and they are repayable in convertible currencies. But it will be a long time before the money comes back, and earnings will always be very small: all the loans so far made cost the borrower only a service charge of less than one per cent, designed to cover administrative expenses, and repayments begin only after ten years, and are spread over a further forty years. With such a low rate of return on its funds, IDA is in no position to finance borrowings from the private market, nor will it accumulate lendable earnings in any quantity. In contrast to the Bank, it must inevitably look periodically to its member countries to renew its resources.

The great majority of the Bank's member countries are also members of IDA, and it is governed in much the same way, as voting power is proportioned to initial subscription. There are major differences, however, in the structure and significance of the subscriptions. When IDA was set up, all of its potential members were sorted into two categories: the developed, and the undeveloped. The developed countries agreed to put up their subscriptions

entirely in gold or convertible currencies; the undeveloped paid only one-tenth in convertible funds, and the rest in their own currencies -- which up to now have been no more useful to IDA than the unreleased local currency subscriptions of the Bank. This formula gave IDA initial funds of about \$765 million in lendable form. A further \$10 million has been provided through special supplementary contributions by Sweden as part of her development aid effort.

Most of these resources have already been committed. IDA's development credits, as they are called, have been concentrated in a smaller group of countries than the Bank's loans, because of the special problems they are designed to meet. India has been by far the largest borrower; Pakistan is in second place. But the projects to be financed are very similar to those covered by the Bank's loans -- railways and roads, power stations and irrigation schemes. There are some differences. The special terms of IDA credits are meant to alleviate balance of payments problems, not to subsidize individual projects. Therefore we make our credits only to governments and insist, if the funds are to be re-lent to revenue-producing enterprises (whether public or private), that the re-lending be done on conventional terms that reflect the true cost of the money. IDA has also ventured into fields not so far touched by the Bank, by lending for water supply and school construction. The similarities, however, are much more significant than the differences. Most important, we apply exactly the same stringent technical and economic standards in assessing a proposed project and the policies of a borrowing country, regardless of whether the money will be provided by the Bank or from the funds of IDA. We offer IDA's borrowers relief from their balance of payments problems, but we do not support uneconomic projects or irresponsible policies.

With almost all of IDA's initial resources now earmarked, and new commitments being undertaken at a rate approaching \$300 million a year, the time has come for a second round of contributions. This second round was negotiated last summer, and agreement in principle has been reached among our member governments on providing IDA with a further \$750 million in convertible currencies. These funds are to be committed over the next three years, and are to be paid in by the contributing countries in three annual installments, starting in November 1965. Contributions this time are to be confined to the industrialized members. The United States is to provide \$312 million, the British share is \$96.6 million, and Germany and France will contribute \$72.6 million and \$61.9 million respectively.

This "second round" for IDA will enable it to continue its work for three more years. But the Bank, too, must continue to adjust its activities to meet the changing needs of its member countries; above all, it must equip itself to attack the special problems of the more than thirty countries that have become members over the past couple of years. Almost all of these new members are recently independent, desperately poor, and largely inexperienced. If we are to meet our responsibilities, it is clear that we shall have to try new kinds and methods of lending, and give more help in preparing plans and projects. We are thinking how to do this, but we already have some idea of the kinds of things we might do -- and also of the kinds of things we have no intention of doing.

It seems likely that we shall enlarge our activities in three specific fields: in assistance to agriculture, to industry, and to education. All of these will be more complicated than the relatively straightforward large infrastructure projects that have been, and will continue to be, our main business; all three, however, are of basic importance.

Agriculture's importance in the underdeveloped nations hardly needs underlining. In many countries, it employs four out of five persons. Up to now, most of our agricultural lending has been for large irrigation projects, or for flood control or land clearance. These are exceptional cases; and we want to spread our activities more widely. For instance, we may finance more of such basic agricultural investments as farm-to-market roads, and facilities for crop storage. We may support organizations that give technical help to the farmer. As bankers, we ought surely to be especially well equipped to assist in setting up and financing local institutions for agricultural credit and investment.

In industry, too, we think that there is more for us to do. Here we already have another affiliate at work, the International Finance Corporation. This lends to private industry without government guarantees, and there is effective division of labor between us. One kind of assistance the Bank itself might undertake is the provision of long-term loans to help establish industries entirely new to a country. Although these industries might be slow to find their feet, they offer the best means of eventually reducing the present extreme dependence of so many of our members on exports of one or two primary products. A second possibility, which I would expect, however, to arise only in a very few instances, would be to offer finance for the so-called "maintenance imports". This might be of considerable help to the one or two countries where existing capacity cannot be used to the full because foreign exchange is so short that essential components and spares cannot be purchased from abroad.

There is another direction in which we certainly expect to increase our assistance to industry. As I mentioned earlier, a part of our lending has been channeled through privately-owned industrial financing companies in our borrowing

countries. Since 1950, the Bank and IFC have helped to finance more than a dozen of these companies, most of which we also helped to establish. We are convinced that in providing capital and advice to small or medium-sized industrial firms in the developing countries, they can fill a need which no one else is properly equipped to meet. We expect to increase this activity.

Our third special field of study is education. Here IDA has lent a little, the Bank so far not at all. Everyone agrees that education is of basic importance to economic development. There is an especially urgent need in the developing countries for better vocational and technical schools, which produce the middle-level manpower and the agricultural and other specialists whose efforts are fairly quickly reflected in the economic progress of their countries. We should like to help finance these schools.

In this widening of our horizons, we start from a position of strength, backed as we are by large reserves, and a continuing flow of earnings. We intend to use this strength, not to hoard it. As a financial institution dependent on the market, we must continue to relate the interest rates we charge on our loans to the cost of money to us. But we can usefully reduce the burden on our borrowers by other means, where this seems appropriate; longer periods of grace before repayments start can ease the financial strain during the years when a project is just beginning to show a return, while a stretching-out of the period over which repayments are made may be suitable in certain cases. We have also decided that the financial strength of the Bank is now such that we need no longer automatically allocate our net income to reserve. In future we shall decide on the allocation of each year's net income, whether to reserve or otherwise, after the close of the fiscal year concerned.

The more difficult and awkward the projects we undertake, and the less experienced the countries in which we operate, the more likely that we shall have to offer technical assistance to bring projects to the stage at which they are ready for financing. The Bank's technical assistance program is of long standing and of considerable diversity. It includes a staff college providing training in problems of economic development, a corps of resident economic advisers, and a wide variety of other services. But if we enlarge our activities in the way I have been describing, it is clear that the calls upon us for technical assistance will also grow. In part, we shall have to meet these calls in the fields in which we have competence, by enlarging our own staff. But we hope also to work very much more closely with other institutions than in the past, and especially with the other Specialized Agencies of the United Nations.

All these are things that we hope to do. But as I hinted earlier, there are some things we are certain that we are not going to do. We are not going to lower our standards in assessing projects. We are not going to soften our resistance to policies that we believe are hindering economic development. We are not going to jeopardize our standing with private investors, since we must continue to depend upon them to a great extent for the resources that we lend. In fact, we are going to continue to display the qualities that often madden many of our borrowers: we are going to go on being cautious and pragmatic -- some have even said governessy -- but not, I hope, unimaginative or unsympathetic. This is the approach that has served the Bank and its borrowers well throughout the years of its existence, and that has made it, in our view at any rate, an unusually effective instrument for its purpose.

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The operations of the World Bank

GEOFFREY M. WILSON

THE International Bank for Reconstruction and Development was conceived at the Bretton Woods Conference held in the summer of 1944, and it started work in mid-1946. Its main task is that of providing (in the words of its Articles of Agreement) 'finance for productive purposes out of its own capital, funds raised by it, and its other resources'.

The capital structure of the Bank is the key not only to its methods of financing, but also to the means by which it is governed. At its establishment it was provided with an authorized capital equivalent to about £3,570 m. Countries subscribing for shares were required to pay in only one-fifth of their subscription on joining, the remainder being available on call, but only to meet the Bank's liabilities if it got into difficulties. Moreover, not even the one-fifth had to be paid over in hard cash at that time. The sole cash requirement was the payment in gold or dollars of 2 per cent of each country's subscription. A further 18 per cent of the subscription was payable in the currency of the member country concerned, and although this sum was technically paid in in the form of notes bearing no interest, it could not be used without the member's permission. For some time after the war only the United States and Canada were in a position to allow these notes to be cashed. Most of the other industrialized countries have since freed the national currency part of their subscriptions on a convertible basis, but the subscriptions of many of the underdeveloped members of the Bank are still largely frozen in this way.

Representatives of forty-four countries attended Bretton Woods. Most of them joined the Bank; the Soviet Union, however, was one of those that did not. Subsequent accessions—more than thirty of them in the last two years alone—have brought the total membership of the Bank to just over 100 countries. The subscription of each member is generally related to its quota in the sister organization, the International Monetary Fund; indirectly, it is founded on an old and somewhat complicated formula designed to reflect the economic strength of each member in 1946. On the basis of this formula, the Bretton Woods agreement parcelled out the authorized capital among the prospective members of the Bank. The United States was given the largest allocation, equivalent to £1,134 m.,

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the United Kingdom the second largest, equivalent to £464 m., and the other members amounts ranging down to the £71,000 allocated to Panama. In 1959, the Bank's capital was doubled and most members doubled their own individual subscriptions, without making any further cash payment. In consequence, the United States is still the largest shareholder at £2,268 m., followed by Britain at £928 m., and by France and Germany with the equivalent of £375 m. apiece. India, Canada, and the Republic of China are fairly close behind.

Allocation of voting power

Financial assessment on the basis of ability to pay is common enough among international organizations, including, most notably, the United Nations itself. But a fundamental difference between the Bank and most other international organizations is the fact that voting power over the conduct of the Bank's activities is related to these financial contributions. Even the smallest subscriber gets a minimum number of votes, but the voting power of the smaller shareholders is far outweighed by the big contributors. The United States alone wields almost three-tenths of the votes; the U.K. casts more than one-tenth; and when these two are allied with France, Germany, and Canada they can command a voting majority, should they wish it, over the ninety-odd other countries that are now members of the Bank.

These voting rights are held in the first instance by the Bank's Board of Governors, an august body consisting mainly of Ministers of Finance and Governors of Central Banks. The Governors meet only once a year, and have delegated most of their responsibilities to a working Board of nineteen Executive Directors, most of whom serve full time, several doubling as Directors of the IMF as well. The Directors are generally based (like the Bank itself) in Washington. Five Directors are nominated by the five largest shareholders, the U.S., the U.K., France, Germany, and India. The remainder represent groups of countries, each group aggregating sufficient votes to provide the Director with an audible voice in the councils of the Bank. Some groupings are fairly natural, such as that formed by the five Nordic countries which are now represented by the only woman on the Bank's Board, a Dane. Some are strangely disparate, like the conjuncture of Cyprus, Israel, the Netherlands, and Yugoslavia that is represented by a Dutchman. And there is one enormous group of twenty-four countries, mostly African, that is represented by the newly elected nineteenth Executive Director, a Nigerian. This weighted system of voting works pretty well—a tribute to the real harmony that prevails in the Board of Directors and to the relationship that they have built up with the Governments they represent and with the officers with whom they work.

As far as the relationship with Governments is concerned, the Execu-

tive Directors have often tended to become as much the representatives of the Bank with their countries as they are representatives of their countries with the Bank, and the weight that individual Directors carry in the Board reflects their experience and judgment much more than their voting power. The relationship of the Board to the officers is also very important. On the whole, both loan and policy proposals considered by the Board are initiated by the officers of the Bank. General policy proposals are thrashed out in Board meetings until a consensus is reached, and there are few formal votes. Proposals for loans and other operations are not brought to the Board until difficult issues have first been discussed informally, and the fact that no formal proposals have ever been rejected is not, therefore, as it might suggest, evidence that the Board is a mere rubber stamp, but, on the contrary, shows the close and continuous working relationship between Directors and officers.

Financial resources and loan commitments

The subscriptions of the Bank's members are of importance as governing the number of votes cast by each country, but their greatest significance is of course as the basic element in the financial resources of the Bank. Altogether, the paid-in portion of these subscriptions now amounts to about £750 m., of which roughly £143 m. is still unreleased for lending. Rather more than £600 m. of capital is therefore freely available for use, but this is much less than half of the total funds available for lending. Much more money is drawn from other sources: from borrowings in the market, and from the Bank's earnings.

The Bank's outstanding borrowings amount now to roughly £900 m., raised in the capital markets of the world and most particularly from private investors of the United States and Western Europe. In Western Europe it has made public bond issues in the capital markets of Austria, Belgium, Britain, Germany, Italy, the Netherlands, and Switzerland, and has borrowed privately in these and most other countries of Europe. Somewhat more than half its total debt is owed to non-U.S. investors. It has been possible for the Bank to raise this enormous sum, at interest rates little or no higher than are paid by Governments themselves, for two basic reasons—the confidence in the Bank that has been engendered by its record of operations over the past seventeen years and the fact that investors know that still larger sums are available to repay the Bank's borrowings, should it ever be in difficulty, namely the portions of the member countries' subscriptions that have not been paid in, but remain on call. The U.S. guarantee alone amounts to over £2,000 m., or more than twice the Bank's outstanding borrowings, and if the guarantees of the other industrialized countries are added, the cover for the Bank's debt is roughly quadrupled.

As a very substantial first line of defence, however, the Bank can call

upon almost £300 m. of accumulated earnings on past loans. A part of these earnings is required to be kept in liquid form as an immediately accessible Special Reserve against losses, and this now amounts to almost £100 m. The remainder, besides providing the Bank with a cushion against possible losses, constitutes a third major source of funds for lending. The Board has always been reluctant to pay a dividend to member Governments; a further £30 m. or so each year therefore becomes available for lending, and, like the paid-in capital, these earnings are available to the Bank without cost.

These three sources—capital, borrowings, and earnings—make up the original pool of funds for lending. In addition, repayments of principal on earlier loans have allowed the Bank to turn over and re-lend about £250 m. The Bank also sells to financial institutions in Europe and America portions of its loans (usually instalments that are due to be repaid within a fairly short time), and so replenishes its cash resources, and these sales have provided more than £600 m.

Together, these various sources of funds have enabled the Bank to undertake loan commitments approaching £2,700 m., of which more than £2,000 m. has now been disbursed. Towards these commitments, some £600 m. has been provided by government subscriptions to shares, paid in when the member country joined the Bank, and no further contributions from Governments, either towards running expenses or towards lendable funds, have been received or sought.

The greater part of this development lending has financed so-called infrastructure projects, which generally do not attract private investors. About a third of the total has financed the development of electric power. For example, in the fourteen countries in Central and South America where the Bank has lent for power, the projects financed have on average amounted to a doubling of their generating capacity as compared with 1948. On a similar scale, another third has financed railways, roads, ports, pipelines, and a few aircraft. Most of the rest has been split between industry and agriculture. The industrial lending has largely gone into heavy industry, such as iron and steel or mining, or has been channelled into development finance companies in the borrowing countries themselves, to be passed on to industrial firms whose projects are too small to be dealt with effectively from Washington. The agricultural loans have generally been for comparatively large schemes, especially for projects for flood control or irrigation that involve heavy capital spending.

Most of these loans have been made to the under-developed countries, but the Bank has also lent to some quite prosperous countries, such as Australia and Norway, whose need for capital is bigger than they can meet through ordinary borrowing. The lending has been fairly evenly distributed about the world. Asia, the most heavily populated region, has

taken the largest share, followed by the Western hemisphere, Europe, and Africa. India is the largest individual borrower, with Japan in second place, and Mexico third.

Although the Bank can claim to be the largest source of multilateral finance for development, its share in the total effort is small in comparison with that of bilateral aid programmes. But the Bank has always been more interested in the effectiveness than in the scale of its lending. As an independent international organization, its loans are not motivated by reasons of political or commercial convenience. For example, borrowers can often get better value from a Bank loan than from a loan of similar size from a bilateral lender. Whereas a bilateral loan is commonly tied to the purchase of goods or services in the lending country, the Bank's borrowers are free to spend the proceeds of a Bank loan in any of the Bank's member countries (and also in Switzerland in recognition of that country's having opened its capital market to the Bank).

The Bank's records of competitive bidding under Bank-financed contracts show very wide variations in tender prices from different countries. A range of 20-40 per cent difference in price is perfectly normal. Under a bilateral loan, tied to procurement in the lending country, the borrower may well have no choice but to pay the highest prices; indeed, it may well be that on occasion suppliers even raise their prices when they know that they will not have to contend with international competition. By contrast, when procurement is not tied, as under a Bank loan, the borrower can do his shopping in the least expensive market.

Freedom to shop around is only one of the reasons why Bank loans can be unusually effective. As a multilateral organization, the Bank can, and does, confine its lending to projects which it is convinced, after careful and thorough study, will make a worth-while contribution to the economic progress of the borrowing country. It sets none of the commercial or political conditions that are sometimes explicit, and often implicit, in bilateral aid, but it is never reluctant to insist on any conditions which it thinks necessary to ensure a project's success.

The International Development Association

This approach has been used by the Bank in its lending since its earliest years, and it still applies. But it has gradually been driven to enlarge the scope of its activities, and the most spectacular development came in 1960 with the establishment of the International Development Association.

The background to the creation of IDA is the increasing burden of debt service being carried by many under-developed countries. In itself, the fact that a country's external debt is growing is nothing to worry about, if its economic strength is also growing. But there are many countries able to make good use of considerably more outside capital than they can safely undertake to repay on conventional terms. In some of these

countries, their limited ability to borrow on such terms simply reflects their poverty. In others, it reflects the unfavourable structure of their present debts, often incurred on unsuitably short terms—for instance, in the shape of three- or five-year commercial export credits when a more appropriate term of repayment would have been ten or fifteen years. There is one geographic area where today the structure of debt is so unfavourable that half of all the outstanding foreign borrowings fall due for repayment within the next five years. This problem has been made still more difficult for most of the under-developed countries by the general decline in prices of the export products upon which they depend to finance the service of their overseas debts. The Bank's staff recently assembled some illuminating statistics on this subject, covering the debt position and export earnings of a group of thirty-four countries that between them account for some 70 per cent of the population of the under-developed world. Between 1955 and 1961, the total external debt owed or guaranteed by their Governments more than doubled, yet over the same period their export earnings increased by little more than 15 per cent. In such circumstances, the heavy call of debt service on a country's resources is liable either to bring economic development to a halt or else to drive the borrower to default on its creditors and thus deter potential investment in the future.

The function of IDA is to lend at long-term and minimum interest in order to reduce the weight of debt service imposed on the less developed countries. It is financially separate from the Bank, but otherwise completely integrated with it; in effect it is simply a special fund available to the Bank to be used in cases where it is considered that a project is economically justified, and that a Government is following sensible policies, but that the balance of payments situation of the country concerned makes it desirable that generous terms of repayment be offered. It differs sharply from the Bank in one very important respect: its lending terms preclude it from borrowing in the market and make it entirely dependent upon its member Governments for funds. IDA makes loans, not grants, and they are repayable in convertible currencies. But it will be a long time before the money comes back, and earnings will always be very small: all the loans so far made cost the borrower only a service charge of less than 1 per cent, designed to cover administrative expenses, and repayments begin only after ten years and are spread over a further forty years. With such a low rate of return on its funds, IDA is in no position to finance borrowings from the private market, nor will it accumulate lendable earnings in any quantity. In contrast to the Bank, it must inevitably look periodically to its member countries to renew its resources.

The great majority of the Bank's member countries are also members of IDA, and it is governed in much the same way, with voting power in pro-

portion to initial subscription. There are major differences, however, in the structure and significance of the subscriptions. When IDA was set up, all its potential members were sorted into two categories: the developed and the undeveloped. The developed countries agreed to put up their subscriptions entirely in gold or convertible currencies; the undeveloped paid only one-tenth in convertible funds, and the rest in their own currencies—which up to now have been no more useful to IDA than the unreleased local currency subscriptions of the Bank. This formula gave IDA initial funds of about £273 m. in lendable form. Almost £4 m. more has been provided through special supplementary contributions by Sweden as part of her development-aid effort.

Most of these resources have already been committed. IDA's development credits, as they are called, have been concentrated in a smaller group of countries than the Bank's loans, because of the special problems they are designed to meet. India has been by far the largest borrower, with Pakistan second. But the projects to be financed are very similar to those covered by the Bank's loans—railways and roads, power stations, and irrigation schemes. There are some differences. The special terms of IDA credits are meant to alleviate balance of payments problems, not to subsidize individual projects. Therefore, credits are made only to Governments and IDA is insistent that, if the funds are to be re-lent to revenue-producing enterprises (whether public or private), the re-lending be done on conventional terms that reflect the true cost of the money. IDA has also ventured into fields not so far touched by the Bank, by lending for water supply and school construction. The similarities, however, are much more significant than the differences. Exactly the same stringent technical and economic standards are applied in assessing a proposed project and the policies of a borrowing country, regardless of whether the money will be provided by the Bank or from the funds of IDA. IDA's borrowers are offered relief from their balance of payments problems, but there is no support for uneconomic projects or irresponsible policies.

New fields of activity

With almost all of IDA's initial resources now earmarked and new commitments being undertaken at a rate of about £100 m. a year, the time has come for a second round of contributions. This second round was negotiated last summer, and agreement in principle has been reached among the member Governments on providing IDA with a further £268 m. in convertible currencies. These funds are to be committed over the next three years, and are to be paid in by the contributing countries in three annual instalments, starting in November 1965. Contributions this time are to be confined to the industrialized members. The United States is to provide just over £111 m., the U.K. £34·5 m., and Germany and France about £26 m. and £22 m. respectively.

This 'second round' for IDA will enable it to continue its work for three more years. But the Bank, too, must continue to adjust its activities to meet the changing needs of its member countries; above all, it must equip itself to attack the special problems of the more than thirty countries that have become members over the past couple of years. Almost all of these new members are recently independent, desperately poor, and largely inexperienced. If the Bank is to meet its responsibilities, it must try new kinds and methods of lending, and give more help in preparing plans and projects. It seems likely that it will enlarge its activities in three specific fields: in assistance to agriculture, to industry, and to education, all of which are of basic importance but will be more complicated than the relatively straightforward large infrastructure projects that have been, and will continue to be, the Bank's main business.

Up to now, most of the agricultural lending of the Bank and IDA has been for exceptional cases—large irrigation projects, flood control, or land clearance. Their activities may well be more widely spread in future. For instance, they may finance more of such basic agricultural investments as farm-to-market roads and facilities for crop storage. They may support organizations that give technical help to the farmer. As bankers, they should be especially well equipped to assist in setting up and financing local institutions for agricultural credit and investment.

In industry, too, there is more scope for their activities. Another affiliated organization, the International Finance Corporation, already exists to make loans to private industry without government guarantees, and there is effective division of labour between it and the Bank. One kind of assistance the Bank itself might undertake is the provision of long-term loans to help establish industries entirely new to a country, as a means of eventually reducing its extreme dependence on exports of one or two primary products. A second possibility, which will arise only in a few instances, however, would be the offer of finance for so-called 'maintenance imports'. This might be of considerable help to the one or two countries where existing capacity cannot be used to the full because foreign exchange is so short that essential components and spares cannot be purchased from abroad.

Since 1950, the Bank and IFC have helped to establish and finance more than a dozen privately owned industrial financing companies, which provide capital and advice to small or medium-sized industrial firms in the developing countries, and so fill a need which no one else is properly equipped to meet. They expect to increase activity in this field.

The third special field of study is education. Here IDA has lent a little, the Bank so far not at all. There is an especially urgent need in the developing countries for better vocational and technical schools, which produce the middle-level manpower and the agricultural and other specialists whose efforts are fairly quickly reflected in the economic pro-

gress of their countries. The Bank and IDA would like to help to finance these schools.

In this widening of its horizons, the Bank starts from a position of strength, backed as it is by large reserves and a continuing flow of earnings. It intends to use this strength, not to hoard it. As a financial institution dependent on the market, it must continue to relate the interest rates it charges on its loans to the cost of money to itself. But it can usefully reduce the burden on its borrowers by other means, where this seems appropriate; longer periods of grace before repayments start can ease the financial strain during the years when a project is just beginning to show a return, while a stretching-out of the period over which repayments are made may be suitable in certain cases. The Bank has also decided that its financial strength is now such that it need no longer automatically allocate its net income to reserve. In future it will decide on the allocation of each year's net income, whether to reserve or otherwise, after the close of the fiscal year concerned.

The more difficult and awkward the projects the Bank undertakes, and the less experienced the countries in which it operates, the more likely it is that it will have to offer technical assistance to bring projects to the stage at which they are ready for financing. The Bank's technical assistance programme is of long standing and of considerable diversity. It includes a staff college providing training in problems of economic development, a corps of resident economic advisers, and a wide variety of other services. If the Bank's activities are enlarged as described above it is clear that the calls upon it for technical assistance will also grow. In part, it will have to meet these calls by enlarging its own staff, but it hopes also to work with other institutions more closely than in the past, and especially with the other Specialized Agencies of the United Nations.

In enlarging its activities, however, the Bank certainly does not intend to lower its standards in assessing projects or to soften its resistance to policies that it believes are hindering economic development, or to jeopardize its standing with private investors, since it must continue to depend upon them to a great extent for the resources that it lends. In fact, it will continue to display the qualities that often madden many of its borrowers: to go on being cautious and pragmatic but not, it is to be hoped, unimaginative or unsympathetic. This is the approach that has served the Bank and its borrowers well throughout the years of its existence, and that has made it an unusually effective instrument for its purpose.

THE
OPERATIONS
OF THE
WORLD BANK

GEOFFREY M. WILSON

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THE International Bank for Reconstruction and Development was conceived at the Bretton Woods Conference held in the summer of 1944, and it started work in mid-1946. Its main task is that of providing (in the words of its Articles of Agreement) 'finance for productive purposes out of its own capital, funds raised by it, and its other resources'.

The capital structure of the Bank is the key not only to its methods of financing, but also to the means by which it is governed. At its establishment it was provided with an authorized capital equivalent to about £3,570 m. Countries subscribing for shares were required to pay in only one-fifth of their subscription on joining, the remainder being available on call, but only to meet the Bank's liabilities if it got into difficulties. Moreover, not even the one-fifth had to be paid over in hard cash at that time. The sole cash requirement was the payment in gold or dollars of 2 per cent of each country's subscription. A further 18 per cent of the subscription was payable in the currency of the member country concerned, and although this sum was technically paid in in the form of notes bearing no interest, it could not be used without the member's permission. For some time after the war only the United States and Canada were in a position to allow these notes to be cashed. Most of the other industrialized countries have since freed the national currency part of their subscriptions on a convertible basis, but the subscriptions of many of the underdeveloped members of the Bank are still largely frozen in this way.

Representatives of forty-four countries attended Bretton Woods. Most of them joined the Bank; the Soviet Union, however, was one of those that did not. Subsequent accessions—more than thirty of them in the last two years alone—have brought the total membership of the Bank to just over 100 countries. The subscription of each member is generally related to its quota in the sister organization, the International Monetary Fund; indirectly, it is founded on an old and somewhat complicated formula designed to reflect the economic strength of each member in 1946. On the basis of this formula, the Bretton Woods agreement parcelled out the authorized capital among the prospective members of the Bank. The United States was given the largest allocation, equivalent to £1,134 m.,

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the United Kingdom the second largest, equivalent to £464 m., and the other members amounts ranging down to the £71,000 allocated to Panama. In 1959, the Bank's capital was doubled and most members doubled their own individual subscriptions, without making any further cash payment. In consequence, the United States is still the largest shareholder at £2,268 m., followed by Britain at £928 m., and by France and Germany with the equivalent of £375 m. apiece. India, Canada, and the Republic of China are fairly close behind.

Allocation of voting power

Financial assessment on the basis of ability to pay is common enough among international organizations, including, most notably, the United Nations itself. But a fundamental difference between the Bank and most other international organizations is the fact that voting power over the conduct of the Bank's activities is related to these financial contributions. Even the smallest subscriber gets a minimum number of votes, but the voting power of the smaller shareholders is far outweighed by the big contributors. The United States alone wields almost three-tenths of the votes; the U.K. casts more than one-tenth; and when these two are allied with France, Germany, and Canada they can command a voting majority, should they wish it, over the ninety-odd other countries that are now members of the Bank.

These voting rights are held in the first instance by the Bank's Board of Governors, an august body consisting mainly of Ministers of Finance and Governors of Central Banks. The Governors meet only once a year, and have delegated most of their responsibilities to a working Board of nineteen Executive Directors, most of whom serve full time, several doubling as Directors of the IMF as well. The Directors are generally based (like the Bank itself) in Washington. Five Directors are nominated by the five largest shareholders, the U.S., the U.K., France, Germany, and India. The remainder represent groups of countries, each group aggregating sufficient votes to provide the Director with an audible voice in the councils of the Bank. Some groupings are fairly natural, such as that formed by the five Nordic countries which are now represented by the only woman on the Bank's Board, a Dane. Some are strangely disparate, like the conjuncture of Cyprus, Israel, the Netherlands, and Yugoslavia that is represented by a Dutchman. And there is one enormous group of twenty-four countries, mostly African, that is represented by the newly elected nineteenth Executive Director, a Nigerian. This weighted system of voting works pretty well—a tribute to the real harmony that prevails in the Board of Directors and to the relationship that they have built up with the Governments they represent and with the officers with whom they work.

As far as the relationship with Governments is concerned, the Execu-

tive Directors have often tended to become as much the representatives of the Bank with their countries as they are representatives of their countries with the Bank, and the weight that individual Directors carry in the Board reflects their experience and judgment much more than their voting power. The relationship of the Board to the officers is also very important. On the whole, both loan and policy proposals considered by the Board are initiated by the officers of the Bank. General policy proposals are thrashed out in Board meetings until a consensus is reached, and there are few formal votes. Proposals for loans and other operations are not brought to the Board until difficult issues have first been discussed informally, and the fact that no formal proposals have ever been rejected is not, therefore, as it might suggest, evidence that the Board is a mere rubber stamp, but, on the contrary, shows the close and continuous working relationship between Directors and officers.

Financial resources and loan commitments

The subscriptions of the Bank's members are of importance as governing the number of votes cast by each country, but their greatest significance is of course as the basic element in the financial resources of the Bank. Altogether, the paid-in portion of these subscriptions now amounts to about £750 m., of which roughly £143 m. is still unreleased for lending. Rather more than £600 m. of capital is therefore freely available for use, but this is much less than half of the total funds available for lending. Much more money is drawn from other sources: from borrowings in the market, and from the Bank's earnings.

The Bank's outstanding borrowings amount now to roughly £900 m., raised in the capital markets of the world and most particularly from private investors of the United States and Western Europe. In Western Europe it has made public bond issues in the capital markets of Austria, Belgium, Britain, Germany, Italy, the Netherlands, and Switzerland, and has borrowed privately in these and most other countries of Europe. Somewhat more than half its total debt is owed to non-U.S. investors. It has been possible for the Bank to raise this enormous sum, at interest rates little or no higher than are paid by Governments themselves, for two basic reasons—the confidence in the Bank that has been engendered by its record of operations over the past seventeen years and the fact that investors know that still larger sums are available to repay the Bank's borrowings, should it ever be in difficulty, namely the portions of the member countries' subscriptions that have not been paid in, but remain on call. The U.S. guarantee alone amounts to over £2,000 m., or more than twice the Bank's outstanding borrowings, and if the guarantees of the other industrialized countries are added, the cover for the Bank's debt is roughly quadrupled.

As a very substantial first line of defence, however, the Bank can call

upon almost £300 m. of accumulated earnings on past loans. A part of these earnings is required to be kept in liquid form as an immediately accessible Special Reserve against losses, and this now amounts to almost £100 m. The remainder, besides providing the Bank with a cushion against possible losses, constitutes a third major source of funds for lending. The Board has always been reluctant to pay a dividend to member Governments; a further £30 m. or so each year therefore becomes available for lending, and, like the paid-in capital, these earnings are available to the Bank without cost.

These three sources—capital, borrowings, and earnings—make up the original pool of funds for lending. In addition, repayments of principal on earlier loans have allowed the Bank to turn over and re-lend about £250 m. The Bank also sells to financial institutions in Europe and America portions of its loans (usually instalments that are due to be repaid within a fairly short time), and so replenishes its cash resources, and these sales have provided more than £600 m.

Together, these various sources of funds have enabled the Bank to undertake loan commitments approaching £2,700 m., of which more than £2,000 m. has now been disbursed. Towards these commitments, some £600 m. has been provided by government subscriptions to shares, paid in when the member country joined the Bank, and no further contributions from Governments, either towards running expenses or towards lendable funds, have been received or sought.

The greater part of this development lending has financed so-called infrastructure projects, which generally do not attract private investors. About a third of the total has financed the development of electric power. For example, in the fourteen countries in Central and South America where the Bank has lent for power, the projects financed have on average amounted to a doubling of their generating capacity as compared with 1948. On a similar scale, another third has financed railways, roads, ports, pipelines, and a few aircraft. Most of the rest has been split between industry and agriculture. The industrial lending has largely gone into heavy industry, such as iron and steel or mining, or has been channelled into development finance companies in the borrowing countries themselves, to be passed on to industrial firms whose projects are too small to be dealt with effectively from Washington. The agricultural loans have generally been for comparatively large schemes, especially for projects for flood control or irrigation that involve heavy capital spending.

Most of these loans have been made to the under-developed countries, but the Bank has also lent to some quite prosperous countries, such as Australia and Norway, whose need for capital is bigger than they can meet through ordinary borrowing. The lending has been fairly evenly distributed about the world. Asia, the most heavily populated region, has

taken the largest share, followed by the Western hemisphere, Europe, and Africa. India is the largest individual borrower, with Japan in second place, and Mexico third.

Although the Bank can claim to be the largest source of multilateral finance for development, its share in the total effort is small in comparison with that of bilateral aid programmes. But the Bank has always been more interested in the effectiveness than in the scale of its lending. As an independent international organization, its loans are not motivated by reasons of political or commercial convenience. For example, borrowers can often get better value from a Bank loan than from a loan of similar size from a bilateral lender. Whereas a bilateral loan is commonly tied to the purchase of goods or services in the lending country, the Bank's borrowers are free to spend the proceeds of a Bank loan in any of the Bank's member countries (and also in Switzerland in recognition of that country's having opened its capital market to the Bank).

The Bank's records of competitive bidding under Bank-financed contracts show very wide variations in tender prices from different countries. A range of 20-40 per cent difference in price is perfectly normal. Under a bilateral loan, tied to procurement in the lending country, the borrower may well have no choice but to pay the highest prices; indeed, it may well be that on occasion suppliers even raise their prices when they know that they will not have to contend with international competition. By contrast, when procurement is not tied, as under a Bank loan, the borrower can do his shopping in the least expensive market.

Freedom to shop around is only one of the reasons why Bank loans can be unusually effective. As a multilateral organization, the Bank can, and does, confine its lending to projects which it is convinced, after careful and thorough study, will make a worth-while contribution to the economic progress of the borrowing country. It sets none of the commercial or political conditions that are sometimes explicit, and often implicit, in bilateral aid, but it is never reluctant to insist on any conditions which it thinks necessary to ensure a project's success.

The International Development Association

This approach has been used by the Bank in its lending since its earliest years, and it still applies. But it has gradually been driven to enlarge the scope of its activities, and the most spectacular development came in 1960 with the establishment of the International Development Association.

The background to the creation of IDA is the increasing burden of debt service being carried by many under-developed countries. In itself, the fact that a country's external debt is growing is nothing to worry about, if its economic strength is also growing. But there are many countries able to make good use of considerably more outside capital than they can safely undertake to repay on conventional terms. In some of these

countries, their limited ability to borrow on such terms simply reflects their poverty. In others, it reflects the unfavourable structure of their present debts, often incurred on unsuitably short terms—for instance, in the shape of three- or five-year commercial export credits when a more appropriate term of repayment would have been ten or fifteen years. There is one geographic area where today the structure of debt is so unfavourable that half of all the outstanding foreign borrowings fall due for repayment within the next five years. This problem has been made still more difficult for most of the under-developed countries by the general decline in prices of the export products upon which they depend to finance the service of their overseas debts. The Bank's staff recently assembled some illuminating statistics on this subject, covering the debt position and export earnings of a group of thirty-four countries that between them account for some 70 per cent of the population of the under-developed world. Between 1955 and 1961, the total external debt owed or guaranteed by their Governments more than doubled, yet over the same period their export earnings increased by little more than 15 per cent. In such circumstances, the heavy call of debt service on a country's resources is liable either to bring economic development to a halt or else to drive the borrower to default on its creditors and thus deter potential investment in the future.

The function of IDA is to lend at long-term and minimum interest in order to reduce the weight of debt service imposed on the less developed countries. It is financially separate from the Bank, but otherwise completely integrated with it; in effect it is simply a special fund available to the Bank to be used in cases where it is considered that a project is economically justified, and that a Government is following sensible policies, but that the balance of payments situation of the country concerned makes it desirable that generous terms of repayment be offered. It differs sharply from the Bank in one very important respect: its lending terms preclude it from borrowing in the market and make it entirely dependent upon its member Governments for funds. IDA makes loans, not grants, and they are repayable in convertible currencies. But it will be a long time before the money comes back, and earnings will always be very small: all the loans so far made cost the borrower only a service charge of less than 1 per cent, designed to cover administrative expenses, and repayments begin only after ten years and are spread over a further forty years. With such a low rate of return on its funds, IDA is in no position to finance borrowings from the private market, nor will it accumulate lendable earnings in any quantity. In contrast to the Bank, it must inevitably look periodically to its member countries to renew its resources.

The great majority of the Bank's member countries are also members of IDA, and it is governed in much the same way, with voting power in pro-

portion to initial subscription. There are major differences, however, in the structure and significance of the subscriptions. When IDA was set up, all its potential members were sorted into two categories: the developed and the undeveloped. The developed countries agreed to put up their subscriptions entirely in gold or convertible currencies; the undeveloped paid only one-tenth in convertible funds, and the rest in their own currencies—which up to now have been no more useful to IDA than the unreleased local currency subscriptions of the Bank. This formula gave IDA initial funds of about £273 m. in lendable form. Almost £4 m. more has been provided through special supplementary contributions by Sweden as part of her development-aid effort.

Most of these resources have already been committed. IDA's development credits, as they are called, have been concentrated in a smaller group of countries than the Bank's loans, because of the special problems they are designed to meet. India has been by far the largest borrower, with Pakistan second. But the projects to be financed are very similar to those covered by the Bank's loans—railways and roads, power stations, and irrigation schemes. There are some differences. The special terms of IDA credits are meant to alleviate balance of payments problems, not to subsidize individual projects. Therefore, credits are made only to Governments and IDA is insistent that, if the funds are to be re-lent to revenue-producing enterprises (whether public or private), the re-lending be done on conventional terms that reflect the true cost of the money. IDA has also ventured into fields not so far touched by the Bank, by lending for water supply and school construction. The similarities, however, are much more significant than the differences. Exactly the same stringent technical and economic standards are applied in assessing a proposed project and the policies of a borrowing country, regardless of whether the money will be provided by the Bank or from the funds of IDA. IDA's borrowers are offered relief from their balance of payments problems, but there is no support for uneconomic projects or irresponsible policies.

New fields of activity

With almost all of IDA's initial resources now earmarked and new commitments being undertaken at a rate of about £100 m. a year, the time has come for a second round of contributions. This second round was negotiated last summer, and agreement in principle has been reached among the member Governments on providing IDA with a further £268 m. in convertible currencies. These funds are to be committed over the next three years, and are to be paid in by the contributing countries in three annual instalments, starting in November 1965. Contributions this time are to be confined to the industrialized members. The United States is to provide just over £111 m., the U.K. £34·5 m., and Germany and France about £26 m. and £22 m. respectively.

This 'second round' for IDA will enable it to continue its work for three more years. But the Bank, too, must continue to adjust its activities to meet the changing needs of its member countries; above all, it must equip itself to attack the special problems of the more than thirty countries that have become members over the past couple of years. Almost all of these new members are recently independent, desperately poor, and largely inexperienced. If the Bank is to meet its responsibilities, it must try new kinds and methods of lending, and give more help in preparing plans and projects. It seems likely that it will enlarge its activities in three specific fields: in assistance to agriculture, to industry, and to education, all of which are of basic importance but will be more complicated than the relatively straightforward large infrastructure projects that have been, and will continue to be, the Bank's main business.

Up to now, most of the agricultural lending of the Bank and IDA has been for exceptional cases—large irrigation projects, flood control, or land clearance. Their activities may well be more widely spread in future. For instance, they may finance more of such basic agricultural investments as farm-to-market roads and facilities for crop storage. They may support organizations that give technical help to the farmer. As bankers, they should be especially well equipped to assist in setting up and financing local institutions for agricultural credit and investment.

In industry, too, there is more scope for their activities. Another affiliated organization, the International Finance Corporation, already exists to make loans to private industry without government guarantees, and there is effective division of labour between it and the Bank. One kind of assistance the Bank itself might undertake is the provision of long-term loans to help establish industries entirely new to a country, as a means of eventually reducing its extreme dependence on exports of one or two primary products. A second possibility, which will arise only in a few instances, however, would be the offer of finance for so-called 'maintenance imports'. This might be of considerable help to the one or two countries where existing capacity cannot be used to the full because foreign exchange is so short that essential components and spares cannot be purchased from abroad.

Since 1950, the Bank and IFC have helped to establish and finance more than a dozen privately owned industrial financing companies, which provide capital and advice to small or medium-sized industrial firms in the developing countries, and so fill a need which no one else is properly equipped to meet. They expect to increase activity in this field.

The third special field of study is education. Here IDA has lent a little, the Bank so far not at all. There is an especially urgent need in the developing countries for better vocational and technical schools, which produce the middle-level manpower and the agricultural and other specialists whose efforts are fairly quickly reflected in the economic pro-

gress of their countries. The Bank and IDA would like to help to finance these schools.

In this widening of its horizons, the Bank starts from a position of strength, backed as it is by large reserves and a continuing flow of earnings. It intends to use this strength, not to hoard it. As a financial institution dependent on the market, it must continue to relate the interest rates it charges on its loans to the cost of money to itself. But it can usefully reduce the burden on its borrowers by other means, where this seems appropriate; longer periods of grace before repayments start can ease the financial strain during the years when a project is just beginning to show a return, while a stretching-out of the period over which repayments are made may be suitable in certain cases. The Bank has also decided that its financial strength is now such that it need no longer automatically allocate its net income to reserve. In future it will decide on the allocation of each year's net income, whether to reserve or otherwise, after the close of the fiscal year concerned.

The more difficult and awkward the projects the Bank undertakes, and the less experienced the countries in which it operates, the more likely it is that it will have to offer technical assistance to bring projects to the stage at which they are ready for financing. The Bank's technical assistance programme is of long standing and of considerable diversity. It includes a staff college providing training in problems of economic development, a corps of resident economic advisers, and a wide variety of other services. If the Bank's activities are enlarged as described above it is clear that the calls upon it for technical assistance will also grow. In part, it will have to meet these calls by enlarging its own staff, but it hopes also to work with other institutions more closely than in the past, and especially with the other Specialized Agencies of the United Nations.

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INTERNATIONELLA BANKEN FÖR ÅTERUPPBYGGNAD OCH UTVECKLING

Europakontor: 4, avenue d'Iéna, Paris 16^e

E M B A R G O

Får ej publiceras förrän onsdagen
den 15 april 1964 klockan 13.00.

VÄRLDSBANKENS ROLL I UTVECKLINGSHJÄLPEN

Anförande av Geoffrey M. Wilson, vice president i Internationella Banken för Återuppbyggnad och Utveckling, vid Sveriges Industriförbunds årsmöte i Stockholm den 15 april 1964.

Jag uppskattar mycket Eder inbjudan att tala inför Sveriges Industriförbund. Jag välkomnar framför allt detta tillfälle att tala till Eder på grund av den positiva attityd Edert land intar till bistånd till utvecklingsländer och det förtroende Ni har visat för Världsbankens och dess anslutna institutioners verksamhet.

Tillåt mig att inledningsvis presentera Världsbanksgruppen. Den består av tre institutioner, vilka alla är inriktade på det gemensamma målet att tillhandahålla och främja tillflödet av kapital till produktiva projekt och program, särskilt i undervecklade länder. Den första av de tre institutionerna är naturligtvis Världsbanken själv. Dess 102 medlemsregeringar har tillhandahållit ett tecknat kapital på mer än 100.000 milj. kronor. Den ger långfristiga lån till sedvanliga räntesatser; och även om den ger lån för många slag av projekt, har de flesta av dem det gemensamt, att de är omfattande; genomsnittet för banklånen uppgår till omkring 100 milj. kronor.

Den äldre av bankens två anslutna institutioner är Internationella Finansieringsbolaget (International Finance Corporation), som började sin verksamhet år 1956. Den har som medlemmar 78 regeringar, vilka också är medlemmar i banken, och dess tecknade kapital uppgår till omkring 500 milj. kronor. Under det att ban-

ken äger ge lån till antingen offentliga eller privata låntagare, arbetar Finansieringsbolaget uteslutande i den privata sektorn; och det koncentrerar sina ansträngningar på utveckling av industrin.

Nyas i Världsbanksgruppen är Internationella Utvecklingsfonden (International Development Association) eller, som vi brukar kalla den, IDA. IDA har 91 medlemmar, vilka kommer från bankens egen medlemskader och vilka har tecknat ett begynnelsekapital på 5.000 milj. kronor. IDA ger lån för i stort sett samma projekt som banken, men har att göra med en ganska skiljaktig grupp av kunder. Dess särskilda uppgift är att ge lån till länder, som inte tillfullo kan bära bördan av lån på vanliga villkor, och dess krediter är mycket långfristiga samt räntefria.

Alla dessa tre organisationer är kooperativa i ordets egentliga bemärkelse, d.v.s. de får sina resurser från medlemmarna och de arbetar i medlemmarnas intresse. Sverige tillhör alla tre och har spelat en betydelsefull roll i deras verksamhet: För det första har Sverige tecknat sin del av kapitalet. Vad gäller banken t.ex., uppgår Sveriges nominella kapitalteckning till något över 1.000 milj. kronor; men i enlighet med bankens stadga har endast en tiondedel av detta, omkring 104 milj. kronor, i verkligheten inbetalats och ställts till förfogande för utlåning från banken. För det andra har svensk teknik och svensk industri utnyttjat de affärsmöjligheter, som bankens lån har skapat, genom att tillhandahålla utrustning och tjänster, som finansierats med lån och investeringar från Världsbanksgruppen.

Jag bör nämna ett annat betydelsefullt område, inom vilket vi skulle vilja vara Eder mera tack skyldiga än vi är. Av Världsbanksgruppens personal, som uppgår till omkring 1.000 personer, har alltför få, endast 22 kommit från Norden, häri inbegripet Sverige. Vi rekryterar mer eller mindre fortlöpande ny personal i Europa, och det skulle glädja oss att i vår tjänst ha många fler av Edra ekonomer, ingenjörer och andra experter, om de skulle vilja komma.

Av de tre medlemmarna i Världsbanksgruppen är banken själv den största och den äldsta. Den började sin verksamhet under mitten av 1946 och ägnade sig till en början huvudsakligen åt de brännande problemen att återuppbygga en del av Europas krigsskadade ekonomier, för vilket den lämnade lån på tillsammans 2.200 milj. kronor. 1948 riktade vi vår uppmärksamhet på vårt nästa ansvar, nämligen att finansiera ekonomisk utveckling. Banken har sedan dess lämnat lån på tillsammans 36.000 milj. kronor för utvecklingsprojekt och utvecklingsprogram i 70 medlemsländer eller områden.

Huvuddelen av långivningen för utveckling har gått till basinvesteringar, vilka icke i den underutvecklade världen, åtminstone icke i allmänhet, drar till sig privata investerare. Omkring en tredjedel av totalbeloppet har finansierat utveckling av elektrisk kraft. Låt mig, för att ge Eder en uppfattning om syftet och omfattningen av denna utlåning för kraftändamål, exempelvis nämna, att i 14 länder i Latinamerika, dit vi lämnat lån för kraftändamål, har de projekt som finansierats av oss i genomsnitt inneburit en fördubbling av kraftproduktionskapaciteten jämfört med 1948. Ytterligare en tredjedel av vår långivning har finansierat kommunikationer - särskilt järnvägar, vägar och hamnar. Det mesta av återstoden har delats mellan industri och jordbruk. Industrilångivningen har gått till tung industri, såsom ståltillverkning, eller har kanaliserats till privata finansieringsbolag i de låntagande länderna själva för att i sin tur investeras i grundandet eller utvidgandet av inhemska industrier. Jordbrukslånen har i allmänhet avsett jämförelsevis omfattande projekt, särskilt flodreglering eller bevattning, vilka kräver stora kapitalinsatser.

De flesta av våra lån har gått till underutvecklade länder, även om vi också givit lån till andra, såsom Australien, Nya Zeeland, Norge och Danmark, vilkas kapitalbehov är större än vad de kan tillfredsställa genom vanlig upplåning. Denna långivning är ganska jämnt fördelad över världen: Asien, det mest tätbefolkade området, har fått lejonparten, följt av västra halvklotet, Europa och Afrika. Indien är störste individuella låntagare med Japan på andra och Mexico på tredje plats.

De statistiska uppgifterna rörande bankens långivning för utvecklingsändamål säger inte i och för sig hela sanningen om

vidden av bankens bistånd för att förbättra folkens lott i de underutvecklade delarna av världen. Såsom ett resultat av våra lån har tusentals nya arbeten skapats i nya eller utvidgade industrier, jordbrukare i många länder har fått möjligheter att erhålla ökad avkastning, att marknadsföra sina produkter och att skapa sig ett hyggligt uppehälle; för första gången har isolerade områden bundits samman med varandra och hittills oexploaterade områden har öppnats för odling; och för första gången har elektricitet och tillförlitlig konstbevattning införts i många områden.

Banken fortsätter att anpassa och vidga sin långivning för att möta behoven hos sina allt flera medlemmar. Tillsammans med sin anslutna institution, Internationella Utvecklingsfonden, ämnar banken såsom sin huvudsakliga verksamhet fortsätta med att bygga grundläggande ekonomiska stöttepelare i form av kraft- och kommunikationsprojekt. Men härutöver ämnar exempelvis både banken och IDA öka sin hjälp till viktiga projekt på undervisningens område såsom ett sätt att mera fullständigt förverkliga den ekonomiska potentialen i våra medlemsländer.

Vi avser också att i påtaglig omfattning öka vår finansiering av direkt produktiva jordbruks- och industriprojekt. För att exempelvis bistå industrin har vi för avsikt inte endast att finansiera enskilda projekt utan också att i några få lämpliga fall finansiera import av utrustnings- och reservdelar, där brist på valuta för sådan import lagt hinder i vägen för ett fullt utnyttjande av den industriella kapaciteten. En sådan transaktion kommer förmodligen att äga rum vad beträffar Indien, där vi överväger en IDA-kredit för att vidmakthålla kapaciteten i industrier som producerar fordon, byggnadsmateriel och maskiner för industriellt bruk.

I undantagsfall är banken också villig att modifiera sina lånevillkor - att från tid till annan meddela lån med en ovanligt lång amorteringsfri tid eller löptid. Men vi har absolut inte för avsikt att ge efter på de normer, som vi tillämpar för vår verksamhet. Vi avser att fortsätta med att vara omsorgsfulla och plikttrogna, när vi värderar ett lands förmåga att använda och återbetala kapital, vid arbetet på att förbättra våra medlemsregeringars program och politik på det ekonomiska området och när det gäller att lämna hjälp till utarbetande av förnuftiga och väl uppbyggda projekt för finansiering.

Låt mig, som en illustration till hur vi sköter vår verksamhet, nämna ett fall avseende den sydamerikanska republiken Colombia. Historien börjar som sig bör med en hemställan till oss från den colombianska regeringen att sända en expertgrupp för att göra en undersökning av ekonomin och dra upp riktlinjer, som skulle kunna tjäna som grund för ett utarbetande i Colombia av ett detaljerat program för investeringar och andra åtgärder, som skulle öka landets ekonomiska tillväxt. Denna delegation, den första expertgrupp som någonsin organiserats av banken, åkte till Colombia 1949 och lämnade påföljande år en 600 sidor lång rapport. Det var inte gruppens uppgift att syssla med förslag till lån. Med utgångspunkt från denna rapport framkom emellertid ett antal långtgående planer, som utarbetades av de colombianska myndigheterna själva. Dessa planer bidrog sedan till att lägga grunden för ett mycket omfattande låneprogram, som banken åtagit sig i Colombia, och som nu sammanlagt uppgår till 25 lån och omkring 2.000 milj. kronor.

Dessa lån har bidragit till att förnya och utvidga Colombias järnvägar, att bygga och förbättra mer än 3.500 kilometer riksvägar och att nära fyrdubbla tillgången på elektrisk kraft. Ett av de intressantaste uppkommande problemen var att åstadkomma bättre kommunikationer i Magdalenaflodens övre dalgång, genom vilken huvuddelen av Colombias kaffeskörd måste transporteras på sin väg till Europa och Nordamerika. Floden själv kunde inte användas för frakttransporter vid lågvatten under den torra årstiden; under dessa månader låg floden i själva verket som en barriär över landet. Ingen viktigare riksväg korsade eller löpte utmed den, och landets två järnvägssystem skildes åt. Det fanns tre möjligheter att lösa kommunikationsproblemet genom dalgången. För det första skulle det ha varit möjligt att muddra Magdalenafloden till tillräckligt djup för att tillåta seglation året runt. För det andra skulle det ha varit möjligt att bygga en riksväg från flodens grunda ställen till en punkt nedåt floden, från vilken segelbarhet året runt skulle kunna garanteras. Den tredje möjligheten var att bygga en järnväg utmed dalgången på sådant sätt, att den förband det östra och det västra järnvägssystemet och stod i förbindelse med den karibiska hamn, från vilken dalgångens kaffe skeppades till översjöiska konsumenter.

Bankens allmänna expertgrupp 1950 hade fastställt, att dal-

gångens kommunikationer var ett brådskande problem, och hade rekommenderat regeringen att anlita konsulter för att finna den bästa lösningen. De colombianska myndigheterna accepterade denna rekommendation och engagerade 1951 en ingenjörsfirma för en omfattande undersökning. Banken ansåg projektet så väsentligt, att den gick med på att betala en del av kostnaden för undersökningen.

I juni 1952 rapporterade konsulterna, att den framtida trafiken skulle motivera en järnväg, att byggandet, ehuru svårt, skulle vara utförbart från teknisk synpunkt och att av de tre möjliga lösningarna skulle en järnväg bli den mest fullständiga och lämna den högsta avkastningen. I augusti 1952 informerade banken den colombianska regeringen om, att den var beredd att börja förhandlingar om lån, och samma månad lämnade banken ett lån på 130 milj. kronor för att finansiera byggandet av en ny järnväg. I juni 1955 lämnade banken, efter en undersökning av den ökande trafiken, ytterligare ett lån på 80 milj. kronor för att utvidga den nya järnvägslinjen med 300 km och åstadkomma ett snabbare och mera direkt tillträde till Karibiska Sjön. Detta följdes av ett annat lån på 25 milj. kronor 1960 för ytterligare driftmateriel och verkstadsutrustning.

Svåra terrängförhållanden och andra omständigheter försenade bygget avsevärt, men järnvägslinjen har nu varit öppen i tre år. Den nya järnvägen går utmed Magdalenadalgången till Karibiska Sjön och transporterar gods från kusten till städerna i inlandet på 12 timmar, jämfört med 10 dagar eller mera som brukade åtgå för prämtransporter på Magdalenafloeden. Den har för utveckling öppnat en rik flodslätt, väl lämpad för bomulls- och annan odling. Den har förbundet förut åtskilda delar av landet, har stimulerat handeln mellan olika regioner och har gjort det möjligt för Colombia att för första gången i sin historia hålla ett effektivt och riksomfattande landtransportsystem.

Även om banken är en institution för långivning, ligger tonvikten icke så mycket på vad den kan låna ut från egna fonder som vad den kan mobilisera från andra håll. Av det kapital som tecknats av våra medlemsregeringar har endast en tiondel inbetalats. I övrigt måste banken falla tillbaka på vad den kan uppdriva på världens kapitalmarknader.

Vi uppbringar kapital, såsom många av Eder är medvetna om, i första hand genom att sälja våra obligationer. Marknaden för bankens obligationer är internationell. Allt som allt har vi sålt dem i mer än 40 länder. Vi har nu obligationer till ett värde av 12.000 milj. kronor utestående i åtta valutor - belgiska francs, kanadensiska dollars, tyska mark, italienska lire, pund sterling, nederländska gulden, schweizerfrancs och amerikanska dollars.

Det har visat sig möjligt för banken att driva upp detta stora belopp till räntesatser något eller icke överstigande dem som betalas av regeringarna själva, och detta av två grundläggande skäl. Det ena är det förtroende för banken som skapats genom de uppnådda resultaten. Det andra skälet är att kapitalplaceringarna vet, att vi har tillgängliga än större summor, som vi kan ta i anspråk för att infria vår upplåning, om vi någon gång skulle råka i svårigheter. Dessa belopp är naturligtvis de delar av våra medlemsländers kapitalteckningar - de nio tiondelarna - som icke har inbetalats men som står till disposition. Bara Förenta Staternas garanti uppgår till inte mindre än 30.000 milj. kronor, och de europeiska ländernas garantier är ännu större. Sammanlagt uppgår de till omkring 33.000 milj. kronor.

Banken säljer inte bara obligationer; den är ivrig att mera direkt dra in kapitalplaceringarna i sin verksamhet. Detta gör den genom att sälja delar av sina lån antingen vid den tid de beviljas eller ur sin portfölj. Nära 500 finansinstitutioner - huvudsakligen affärsbanker och försäkringsbolag - har köpt delar av våra lån; och i ett fall nyligen var placeringsintresset så stort, att av ett lån på ett värde motsvarande 37 milj. kronor sålde vi allt utom 175.000 kronor. Bankens har i allt fångat in nära 9.000 milj. annat kapital i sin verksamhet genom försäljning av lån. Vi förlorar pengar på dessa transaktioner, men vi anser det vara en viktig del av vår verksamhet att försöka, i hur liten skala det än är fråga om, att göra våra låntagare kända på kreditmarknaderna i världen.

Slutligen - och särskilt vad beträffar de europeiska kunderna - har det varit möjligt för banken att införa några av sina låntagare direkt på marknaden genom en kombinerad operation, där ett världsbankslån fått sammanfalla med uppdrivet av ytterligare medel från privata placeringarna. Ett tidigt fall av detta

gäller Norge. Samtidigt som landet tog ett långfristigt lån på 25 milj. dollar i banken, drev det upp ytterligare 15 milj. dollar genom försäljning av kortfristiga värdepapper på den amerikanska marknaden. Banken har allt som allt hjälpt sina låntagare att på detta sätt uppbringa närmare 3.000 milj. kronor från privata placerare.

På dessa olika vägar har banken bidragit till att från andra placerare uppdriva sammanlagt 24.000 milj. kronor - ett belopp mer än $2\frac{1}{2}$ gånger dess egna inbetalade kapital. Vi är stolta över denna insats och tror, att den är betydelsefull; ty om den ekonomiska tillväxten i den underutvecklade delen av världen skall kunna ökas, måste en större och stadigt växande roll spelas av privata placerare.

Världsbanksgruppens särskilda instrument för att främja framsteg inom den privata sektorn är, som jag har nämnt, Internationella Finansieringsbolaget. I olikhet mot banken gör detta investeringar i privata företag utan regeringsgaranti och har, återigen i olikhet mot banken, möjlighet att tillhandahålla såväl andels- som lånekapital.

IFC syftar till att fullgöra tre huvudfunktioner. För det första tillhandahåller det kapital för privata projekt av stor utvecklingsangelägenhet. För det andra försöker IFC att stimulera det internationella tillflödet av privat kapital till produktiva företag; det har tillfälligtvis hjälpt till med att kanalisera medel från placerare i så många som åtta eller nio olika länder till ett enda utvecklingsprojekt. För det tredje söker IFC att främja bildandet av lokala kapitalmarknader; det kan uppmuntra lokala placerare genom att t.ex. teckna sig vid emissioner av värdepapper, utgivna av nya eller expanderande företag eller genom att sälja lämpliga värdepapper ur egen portfölj.

IFC:s investeringar och teckningar uppgår nu till 475 milj. kronor för produktiva företag i 27 olika länder. De flesta av dessa företag - såsom det svenska AB Förenade Superfosfatfabriker, med vilket IFC har gått samman i ett tunisiskt företag - är engagerade i tillverkning eller gruvdrift; men det finns ett annat slag av företag, i vilka IFC och de andra medlemmarna i Världsbanken spelat en stor roll. Det är här fråga om företag vars

ändamål det är att tillhandahålla långfristigt kapital och teknisk hjälp till privata industriföretag.

IFC och de andra världsbanksinstitutionerna har hittills hjälpt till med att skapa eller stärka 17 sådana industriella finansföretag i Asien, Afrika och Latinamerika; IFC är andelsägare i 13. Bland de äldsta av dessa företag är de i Turkiet och Indien; och de visar vilken dynamisk roll sådana företag kan spela.

Industrial Development Bank i Turkiet ägs nästan helt och hållet av turkiska placerare och har funnits till sedan 1950. Den har gjort mer än 1.200 investeringar i ungefär 500 företag, och dess finansieringsåtaganden överstiger 300 milj. kronor. Under sin fjortonåriga verksamhet har Industrial Development Bank svarat för en utomordentligt viktig uppgift genom att föra in ytterligare privat sparande i den turkiska industrin och utfylla detta sparande med investeringar från medel i egna och inlånade fonder och genom att öka produktionen och sysselsättningen.

Industrial Credit and Investment Corporation of India har varit i verksamhet sedan 1955. Huvudparten av dess kapital kommer från indiska placerare, men institutioner i Tyskland, Japan, Storbritannien och Förenta Staterna äger också andelar. Detta indiska bolag har gjort investeringar till ett värde av över 500 milj. kronor i mer än 150 olika företag. Det har varit ovärderligt för den privata sektorn genom att introducera nya former av långfristig finansiering samt emissionsverksamhet och såsom mellanhand för att åstadkomma deltagande av andra indiska och utländska placerare vid finansiering av indiska industriföretag.

Bankens nyaste anslutna institution, Internationella Utvecklingsfonden (International Development Association), har också visat sig vara en för banken värdefull utvidgning. I likhet med IFC har IDA skapats av bankens medlemsländer för att handha problem, som ligger utanför bankens egen räckvidd. De fattigare bland de underutvecklade länderna, vilka icke kan eller bör låna på normala villkor, har det problemet att deras kapacitet att finna användning för kapital är större än deras förmåga att åtaga sig och återbetala skulder på sedvanliga villkor, i likhet med dem som erbjuds av banken.

IDA:s syfte är att hjälpa till med att hålla utvecklingskapital strömmande till dessa länder på villkor som utövar så litet tryck som möjligt på deras betalningsbalans. De krediter IDA hittills lämnat skall återbetalas under 50 år, är räntefria och drar endast $3/4$ av 1% i årlig administrationsavgift. Hur lindriga dessa villkor än är, förväntas de projekt som kommer in för IDA-finansiering hålla samma tekniska, ekonomiska, finansiella och administrativa standard som Världsbanken själv skulle kräva, om banken skulle lämna lån för projektet på sedvanliga villkor.

Rent allmänt är de projekt, som finansieras av IDA, av samma slag som de som finansieras av banken. IDA har hittills bundit omkring 3.000 milj. kronor i utvecklingsprojekt i ungefär 20 av de fattigare länderna i världen, särskilt i Asien.

Huvuddelen av IDA:s till förfogande stående begynnelsekapital, uppgående till omkring 3.900 milj. kronor i konvertibla valutor, har redan utlånats eller avsatts för utlåning. Det kommer att dröja många år, innan IDA kan se fram emot någon förnyelse av sina resurser genom att dess lån återbetalas. Den fortsatta låneverksamheten beror således helt och hållet på återkommande bidrag från de utvecklade länderna. Sistlidna september antog IDA:s styrelse en resolution, enligt vilken 17 av de utvecklade länderna under loppet av tre år skulle bidra med ytterligare 3.900 milj. kronor till IDA:s resurser. Även om Förenta Staternas kongress icke har fullbordat sin behandling av resolutionen och även om sakens problematik är sådan, att ytterligare bidrag från andra medlemsländer enligt resolutionen icke förfaller till betalning, förrän detta är gjort, är amerikanska myndighetspersoner förhoppningsfulla att godkännande skall ges under kommande månader. Sveriges andel i denna "andra IDA-rond" är 78 milj. kr.

Sverige har redan visat sig vara en särskild välgörare för Internationella Utvecklingsfonden. Eder regering tecknade 51 milj. kronor av IDA:s begynnelsekapital. Sverige har sedan dess lämnat två extra bidrag - ett i maj 1962 och ett i maj 1963 - på sammanlagt 51 milj. kronor. Eder riksdag överväger för närvarande ett tredje extra bidrag på 25 milj. kronor. Vi hoppades - och så, förmodar jag, gjorde Eder regering - att denna generösa handling skulle stimulera andra att göra på samma sätt, men än så länge, Herr Ordförande, är Edra bidrag de enda extra bidragen till IDA:s resurser från någon av IDA:s medlemmar. De nya till

förfogande ställda medlen var i fria konvertibla kronor, varken bundna till anskaffning i Sverige eller begränsade till användning i särskilt angivna länder eller till särskilt angivna projekt. Vi välkomnar varmt Sveriges generösa och spontana initiativ att lämna dessa extra bidrag. Detta bevis på Edert förtroende för oss har uppmuntrat oss mycket.

För egen del är jag säker på att detta förtroende icke är bortkastat. Världsbanken och IDA är på grund av sin internationella karaktär i stånd att sköta kontakterna med sina låntagare på ett sätt som är bestämt men på samma gång välvilligt. De måste företräda alla sina medlemmars långsiktiga intressen, långgivare och låntagare lika. De har därför lättare att motstå påtryckningar, som kan förmodas ligga på nationella hjälpprogram - påtryckningar från kommersiella intressen för att åstadkomma hjälp att finansiera försäljning av särskilda varor utomlands, vare sig projekten ger anledning härtill eller ej, påtryckningar från diplomatiskt håll för beviljandet av lån i syfte att vinna mottagarländernas gunst, och dylikt.

Fördelen med multilateral inställning till bistånd är, tror jag, särskilt väl insedd i Sverige och har kommit till klart uttryck i den grundläggande deklARATION, som avgavs i samband med beviljandet av anslag för biståndsändamål 1962. Det finns emellertid en annan fördel med multilateral hjälp, som man kanske i allmänhet tänker mindre på, och det är helt enkelt den att multilateral hjälp förmodligen kostar mindre för alla och envar. Detta är ett förhållande av icke ringa betydelse för länder, som bär den internationella utvecklingshjälpens börda, och det är en fråga av utomordentlig betydelse för länder, som mottar hjälp i form av lån som skall återbetalas.

Låt mig illustrera hur detta arbetar i Världsbankens fall. Vi har hittills betalat ut ungefär 22.000 milj. kronor för att möjliggöra för våra låntagare att importera varor och tjänster, som krävs för utvecklingsprojekt. Banken uppställer inga villkor, som fordrar att våra lånemedel används inom blott en eller några medlemmars områden; vår stadga förbjuder oss uttryckligen att göra detta. I själva verket arbetar banken och IDA på motsatt sätt; vi yrkar på att våra låntagare skaffar sig sina le-

veranser på grundval av vidast möjliga internationella konkurrens mellan leverantörer i medlemsländerna (och även i Schweiz). På detta sätt får våra låntagare ut största möjliga värde. Låt mig slå fast, att banken icke placerar order; detta får låntagaren göra. Men banken övervakar noggrant de anskaffningsmetoder som låntagaren använder och förbehåller sig rätten att innehålla betalning för varor och tjänster, som den har anledning tro är för dyra eller icke lämpade för projektet.

Det som är viktigt att beakta är, att inom ramen för ett bilateralt lån, som bindes till anskaffning i långivarlandet, har låntagaren i många fall intet annat val än att betala ett högre pris. När i motsats härtill anskaffningen icke är bunden såsom när det gäller ett lån från banken, kan långivaren göra sina inköp på den minst dyra marknaden. Vi inser att i många fall - kanske huvudsakligen bilaterala - kommer biståndsmedlen också fortsättningsvis att bindas till anskaffning i det land som tillhandahåller medlen. Men vi vädjar, att där så sker, en bestämd ansträngning göres att ge låntagaren största möjliga frihet vid ianspråktagandet av sådana medel.

Vad leveranssidan beträffar tror jag icke att något land, vars export är normalt konkurrenskraftig, har något skäl att frukta, att det icke kommer att erhålla en rimlig del av de bankfinansierade kontrakten. Svenska tillverkare har t.ex. tillhandahållit för omkring 367 milj. kronor varor och tjänster till bankfinansierade projekt - mer än tre gånger Sveriges till Världsbanken inbetalade kapital. Inom ramen för banklån har svenska företag levererat varor och tjänster av de mest skiftande slag till projekt i 37 länder. Svenska firmor har dock särskilt konkurrerat mycket kraftigt om order för tung elektrisk utrustning och maskiner för industrin.

Men den stora fördelen med en multilateral inställning till bistånd, såsom banken strävar att tillämpa den, är framför allt att den möjliggör för de deltagande staterna, både långgivare och låntagare, att inrikta sig på den grundläggande och långsiktiga målet att förbättra människosläktets lott utan att avledas av bifrågor och andrahandssyften i handel, diplomati eller militär

strategi. Den tillhandahåller en kanal för det privata kapitalet att strömma till fattiga länder och på samma gång stimulera handeln med kapitalvaror på grundval av fri internationell konkurrens. Den tillåter utvecklingsländerna att, om de har någon verklig vilja att göra det mesta av de resurser de valt att avdela för ekonomisk utveckling. Detta är en fördel av lika stort värde för utvecklade länder som utvecklingsländer, och det är en fördel att Världsbanksinstitutionerna i sin egen handlingssfär är beredda att hjälpa dem att anstränga sig till det yttersta.

for orders for heavy electrical equipment and industrial machinery.

BUT above all, the great advantage of the multi-lateral approach, as the Bank strives to practice it, is that it enables the participating nations, both lenders and borrowers, to concentrate on the fundamental and long-range goal of improving the lot of mankind, free from the distraction of side issues and secondary aims in commerce, diplomacy or military strategy. It provides a channel for private capital to move to poor countries and at the same time to stimulate the flow of trade in capital goods on the basis of free international competition. It enables the developing countries, if they have the will, to make the most of whatever resources they choose to devote to economic development. This is an advantage of great worth to the developed and the developing nations alike, and it is an advantage that the World Bank institutions, in their own spheres of action, are ready to help them press to the utmost.

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The World Bank's role in **DEVELOPMENT ASSISTANCE**



Text of a speech before the Federation of Swedish Industries, Stockholm, April 15, 1964, by MR. GEOFFREY M. WILSON, Vice President, World Bank and International Development Association.

I VERY much appreciate your invitation to address the Federation of Swedish Industries. I especially welcome this opportunity to talk to you because of Sweden's positive attitude toward assistance to developing countries and the confidence you have demonstrated in the activities of the World Bank and its affiliated organizations.

By way of prologue, let me identify the World Bank group. It consists of three institutions which share the common purpose of providing and promoting a flow of capital into productive projects and programs, especially in the underdeveloped countries. The first of the three institutions, of course, is the Bank itself. Its 102 member governments have put up the subscribed capital of more than 100,000 million kronor. It makes long-term loans at conventional interest rates; and while it lends for many kinds of projects, most of them have the common characteristic of being large in scale; the average Bank loan amounts to about 100 million kronor.

The older of the Bank's two affiliates is the International Finance Corporation, which began operations in 1956. Its membership is composed of 78 governments that also are members of the Bank, and its subscribed capital is approximately 500 million kronor. Whereas the Bank may lend to either public or private borrowers, IFC works exclusively in the private sector; and it concentrates its efforts on the development of industry.

The newest of the World Bank group is the International Development Association, better known for short as IDA. IDA has 91 members, drawn from the Bank's own membership, and they have put up initial subscriptions of 5,000 million kronor. IDA lends for much the same kind of projects as the Bank, but deals with a rather

different group of customers; its particular mission is to lend to countries not fully able to bear the burden of loans made on conventional terms, and its credits are made at very long term and free of interest.

ALL three of these organizations are cooperatives in the strict meaning of the word: That is to say, they derive their resources from their members, and they operate for the benefit of their members. Sweden belongs to all three, and has played a significant role in their operations: In the first place, it has subscribed its share of capital. In the case of the Bank, Sweden's nominal shareholding is somewhat over 1,000 million kronor; but under our rules, only a tenth of that, just over 100 million kronor, actually is paid in and usable for the Bank's lending. In the second place, the Swedish engineering and industrial community has participated in the business generated by the Bank's loans, furnishing equipment and services that have been financed by the loans and investments of the World Bank group.

I should mention one other very important resource for which we should like to be more indebted to you than we are. Of the staffs of the World Bank group, amounting to some 1,000 persons, far too few—only 22—have come from the Nordic countries, including Sweden. We recruit new staff more or less continuously in Europe, and we would be glad to have many more of your excellent economists, engineers and other experts if they would come forward.

THE Bank itself is of course the largest and oldest of the three members of the World Bank group. It started work in mid-1946, and its first emphasis was on the urgent problems of reconstructing some of the war-damaged economies of Europe, for which it made loans totaling 2,200 million kronor. It was from this beginning

that we turned our attention by degrees to what has become our main area of activity—the financing of economic development. Since 1948, the Bank has made loans totaling 36,000 million kronor for development projects and programs in 70 member countries or territories.

Most of this development lending has been for basic utilities which, in the underdeveloped world at least, generally do not attract private investors. About a third of the total has financed the development of electric power. To give you an idea of the scope of this power lending, let me mention as an example that in 14 countries of Latin America, the projects financed by us have on average amounted to a doubling of generating capacity as compared with 1948. Another third of our lending has financed transportation—especially railways, roads and ports. Most of the rest has gone into industry and agriculture. The industrial lending has been for heavy industry, such as steel, or has been channeled into private finance companies in the borrowing countries themselves, to be re-invested in establishing or expanding domestic industries. The agricultural loans have generally been for comparatively large schemes, and especially for flood control or irrigation projects that involve heavy capital spending.

Most of our loans have been made in the underdeveloped nations, although we have also lent to others, such as Australia, New Zealand, Norway and Denmark, whose need for capital is bigger than they can meet through ordinary borrowing. The lending has been fairly evenly spread about the world: Asia, the most heavily populated region, has taken the largest share, followed by the Western Hemisphere, Europe and Africa. India is the largest individual borrower, with Japan in second place and Mexico in third.

The Bank is continuing to adapt and broaden its lending activities to meet the needs of its growing

membership. Together with its affiliate, the International Development Association, the Bank intends to go on pursuing, as its main business, the building of basic economic foundations in the form of power and transportation projects. But in addition, both the Bank and IDA intend to increase their assistance to high priority projects in education, as a means of realizing more fully the economic potential of our member countries.

We also intend to add substantially to our financing of directly productive projects in agriculture and industry. To assist industry, for example, we intend not only to finance individual projects but, in a few appropriate cases, to finance the import of raw materials and components where the shortage of exchange for such imports has prevented the full use of existing capacity. One such transaction is likely to take place in India where we are considering an IDA credit to maintain capacity in industries producing commercial vehicles, construction equipment and industrial machinery.

In exceptional cases, the Bank also will be willing to modify its loan terms—now and then, to make a loan with an unusually long grace period or final maturity. But we do *not* intend to relax the standards which we apply to our business. We intend to go on being careful and diligent in measuring a country's ability to use and repay capital, in working to improve the economic programs and policies of our member governments, and in helping to develop well-conceived and well-engineered projects for financing.

I THINK it may be of interest to describe to you one specific case of how we go about our business, and I have chosen the South American republic of Colombia. The story properly begins with a request to us from the Colombian Government to send a mission of experts to examine the economy and to draw up recommendations which

could serve as the basis for working out a detailed program of investment and other measures that would accelerate the economic growth of the country. This mission, the first such general survey team ever organized by the Bank, went to Colombia in 1949, and submitted a 600-page report in the following year. It was not the business of the group to deal with loan proposals. Out of its report, however, came a series of far-reaching plans drawn up by the Colombian authorities themselves. These plans subsequently helped provide the basis for the very extensive lending program undertaken by the Bank in Colombia, a total of 25 loans amounting to about 2,000 million kronor.

These loans have helped to renovate and extend Colombia's railways, to build and improve over 3,500 kilometers of highways, and nearly to quadruple the supply of electric power from public sources. One of the most interesting problems was to get better transportation in the upper valley of the Magdalena River, through which some of Colombia's coffee crop was shipped on its way to market in Europe and North America. The River itself could not carry cargoes in the months of the dry season, at times of low water; in those months, the River was, in fact, a barrier across the country, not crossed by any major highway and separating the country's two major railway systems. There were three possible ways to solve the problem of transportation through the Valley. First, it would have been possible to dredge the Magdalena River deep enough to provide for year-round navigation. Second, it would have been possible to build a road from the shallows of the River to a downstream point from which navigation would be insured throughout the year. The third possibility was to build a railway, running through the Valley in such a way as to link the eastern and western railway systems, and improving access to the port which was the Valley's natural outlet to the Caribbean Sea and the Atlantic Ocean.

The Bank's general survey mission in 1950 had identified the problem of transportation in the Valley as an urgent one, and had recommended that the Government retain consultants to study the best solution. The Colombian authorities accepted the recommendation and in 1951 engaged an engineering firm to make a comprehensive investigation; the Bank considered the project so vital that it agreed to pay part of the cost of the study.

In June 1952, the consultants reported that the prospective traffic would justify a railway, that construction, although difficult, would be feasible from an engineering point of view, and that of the three possible solutions, a railway would be the most complete and bring the highest economic return. In August 1952, the Bank made a loan of 130 million kronor to finance construction of the new railway. In 1955, after a study of rising traffic, the Bank made another loan of 80 million kronor to extend the new railway line 300 kilometers and provide quicker and more direct access to the Caribbean. This was followed by another loan of 25 million kronor in 1960 for additional operating and shop equipment.

Severe difficulties of terrain as well as other factors delayed construction, but the Railway has now been open for three years. Running the length of the Magdalena Valley to the Caribbean it carries freight from the coast to the inland cities in 12 hours, compared with 10 days or more that used to be required for barge transport on the Magdalena River. It has opened for development a rich plain well suited to the growth of cotton and other crops. It has linked formerly separated parts of the country, has stimulated inter-regional trade, and has made it possible for Colombia, for the first time in its history, to have an efficient and nation-wide system of land transport.

WHILE the Bank is a lending institution, its emphasis is not so much on what it can lend from its own funds as on what it can mobilize from other sources. Of the capital subscribed by our member governments, only one-tenth is paid in. For the rest, the Bank relies on what it can raise in the capital markets of the world.

We raise funds, as many of you are aware, primarily by the sale of our bonds. The market for the Bank's bonds is international; altogether we have sold them in more than 40 countries. We now have the equivalent of 12,000 million kronor of bonds outstanding, in eight currencies—Belgian francs, Canadian dollars, German marks, Italian lire, pounds sterling, Netherlands guilders, Swiss francs and United States dollars.

It has been possible for the Bank to raise this large sum, at interest rates little or no higher than are paid by governments themselves, for two basic reasons. One is the confidence in the Bank that has been engendered by its record of operations. The other reason is that investors know that we have available still larger sums which we can call upon to repay our borrowing should we ever be in difficulty. These amounts are, of course, the portions of our member countries' subscriptions—the nine-tenths—that have not been paid in, but remain on call. The United States guarantee amounts to no less than 30,000 million kronor, and the guarantees of the countries of Europe are still larger, amounting to about 33,000 million.

The Bank not only sells bonds; it is eager to draw investors still more directly into its operations. This it does by selling parts of its loans, either at the time they are made or out of its portfolio. Nearly 500 financial institutions—mostly commercial banks and insurance companies—have bought parts of our loans; and in one recent case, investor interest was so high that out of a loan equivalent to 37 million kronor, we sold all but

175 thousand kronor worth. In all, the Bank has drawn nearly 9,000 million of other capital into its operations by sales of loans. We lose money on these transactions, but we regard it as an important part of our business to do all we can to establish the credit of our borrowers in the world markets.

Finally—and especially in the case of its European clients—the Bank has been able to introduce some of its borrowers directly to the market, by means of a combined operation in which a World Bank loan coincides with the raising of additional funds from private investors. One early case of this involved the Kingdom of Norway; at the same time as it borrowed \$25 million at long term from the Bank, it was raising another \$15 million by the sale of shorter-term securities in the American market. Altogether, the Bank has helped its borrowers raise nearly 3,000 million kronor from private investors in this way.

In these various ways, the Bank has helped to raise from other investors a total of 24,000 million kronor—a sum more than two and a half times as great as its own paid-in capital. We take pride in this achievement, and believe that it is a significant one; for if economic growth in the underdeveloped world is to be speeded up, a larger and constantly growing role must be played by private investors.

THE Bank group's special instrument for promoting progress in the private sector, as I have mentioned, is the International Finance Corporation. Unlike the Bank, it invests in private enterprises without governmental guarantee, and again unlike the Bank, it is able to provide share as well as loan capital.

IFC aims to perform three main functions. First, it provides finance for private projects of high developmental priority. Second, it seeks to stimu-

late the international flow of private capital into productive undertakings; on occasion, it has helped to channel funds from investors in as many as eight or nine different countries into a single development project. Third, it seeks to promote the development of local capital markets; it may encourage local investors, for example, by underwriting the issue of securities by new or expanding enterprises, or by selling seasoned securities out of its portfolio.

IFC's investments and underwritings have now reached 475 million kronor, for productive private enterprises in 27 different countries. Most of these companies—like the Swedish superphosphate company with which IFC is associated in a Tunisian undertaking—are engaged in manufacturing or mining; but there is another class of enterprise in which IFC and the other members of the Bank group have played a major part. These are local companies whose purpose it is to provide long-term capital and technical assistance to private industrial undertakings.

IFC and the other World Bank institutions have now helped to create or strengthen 17 of these industrial finance companies in Asia, Africa and Latin America; IFC is a shareholder in thirteen. Among the oldest are those in Turkey and India; and they demonstrate the dynamic role which such companies can play.

The Industrial Development Bank in Turkey is owned almost entirely by Turkish investors, and has been in existence since 1950. It has made more than 1,200 investments in some 500 companies, and its financing commitments have exceeded 300 million kronor. In its 14 years of activity, the Industrial Development Bank has performed a vital function in bringing additional private savings into Turkish industry, in supplementing those savings with investments of its own and

borrowed funds, and in raising output and increasing employment.

The Industrial Credit and Investment Corporation of India has been operating since 1955. The majority of its capital is from Indian investors, but institutions in Germany, Japan, the United Kingdom and the United States also own its shares. This Indian corporation has made over 500 million kronor worth of investments in more than 150 different companies. It has been invaluable to the private sector as an agency for introducing new forms of term financing and underwritings, and as an intermediary for arranging participation by other Indian and foreign investors in the financing of Indian industrial enterprises.

LET me say a word now about the Bank's newest affiliate, the International Development Association. Like IFC, IDA was created by the Bank's member countries to deal with a problem that lies beyond the reach of the Bank itself. This is the problem of those countries among the underdeveloped nations who cannot—or should not—borrow on normal terms: Their capacity to make use of capital is greater than their ability to assume and repay debt, on conventional terms like those offered by the Bank.

IDA's objective is to help keep development capital flowing into these countries on terms that place little strain on their balance of payments. IDA credits made up to now are repayable over 50 years, are free of interest, and carry only a $\frac{3}{4}$ of 1 per cent annual service charge. Soft as those terms are, the projects submitted for IDA financing are expected to meet the same technical, economic, financial and administrative standards as if they were being financed by Bank loans on conventional terms. The projects financed by IDA are, generally speaking, of the same sort as those financed by the Bank. IDA so far has committed

some 3,000 million kronor for development projects in some 20 of the poorer countries of the world, especially in Asia.

Most of IDA's initial resources, amounting to some 3,900 million kronor of convertible currencies, have already been lent or earmarked for lending. It will be very many years before IDA can look for any replenishment of its resources from repayment of its credits. It is obviously in no position to borrow in the market. Continuation of its lending operations is therefore wholly dependent upon periodic contributions by the developed countries. Last September IDA's Board of Governors framed a resolution under which 17 of the developed countries would contribute another 3,900 million kronor to IDA's resources over a period of three years. The United States Congress has not completed its action on the resolution, and until it does so, the additional contributions of other members do not become effective; but American officials are hopeful that approval will be given in the coming months. Sweden's share in the "second round" for IDA is 78 million kronor.

Sweden already has been a special benefactor of the International Development Association. Your government's subscription to IDA's initial resources was 51 million kronor. Since then, Sweden has made two supplementary contributions—one in May 1962 and the other in May 1963—totaling another 51 million kronor. Your Parliament now has under consideration a third supplementary contribution of 25 million kronor. We hoped, and so I believe did your Government, that this generous action would stimulate others to act likewise, but so far, Mr. Chairman, yours are the only supplementary contributions to IDA's resources from any of the Association's members. These new funds were in freely convertible kronor, neither tied to procurement in Sweden nor restricted to use in any specified countries or in any

specified projects. We greatly welcome Sweden's generous and spontaneous initiative in making these special supplementary contributions. This evidence of your confidence in us has given us great encouragement.

FOR my own part, I am confident that this trust is not misplaced. Because of their international character, the Bank and IDA are able to conduct business with their borrowers in a way that is hard-headed and at the same time sympathetic. They must represent the long-range interest of *all* their members, lenders and borrowers alike. They are in an easier position, therefore, to withstand the pressures likely to weigh on national aid programs—pressures from commercial interests to help finance the sale of particular goods abroad, whether the projects are justified or not, pressures from diplomatic quarters to make loans in order to win the favor of recipient countries, and the like.

This advantage of the multilateral approach to aid, I think, is particularly well understood in Sweden, and is fully set out in the basic Policy Statement which accompanied your country's Technical Assistance Bill in 1962. There is another advantage of multilateral aid, however, that is perhaps less generally appreciated, and it is simply that multilateral aid is likely to cost everyone less. This is a matter of no small importance to the countries bearing the burden of international development assistance, and it is a matter of vital importance to the countries receiving aid in the form of loans that must be repaid.

Let me illustrate how this works in the case of the Bank. So far, we have disbursed some 22,000 million kronor to enable our borrowers to import goods or services needed for development projects. The Bank does not impose any conditions requiring the proceeds of our loans to be spent in the territories of any particular member or members;

our charter specifically forbids us to do this. In fact, the Bank and IDA work just the other way around; we insist that our borrowers obtain their supplies on the basis of the widest feasible international competition among suppliers in the member countries (and also Switzerland). In this way, our borrowers get the best value available. Let me make it clear that the orders are not placed by the Bank; that is left to the borrower. But the Bank gives careful supervision to the procurement methods used by the borrower and reserves the right to withhold disbursement for goods or services which it has reason to believe are excessive in price or not suited to the project.

The important consideration is that under a bilateral loan, tied to procurement in the lending country, the borrower in many cases has no choice but to pay a higher price. By contrast, when procurement is not tied, as under a Bank loan, the borrower can do his shopping in the least expensive market. We recognize that in many cases, perhaps most, bilateral aid funds will continue to be tied to procurement in the country providing the funds. But we do urge that, where this is the case, a determined effort be made to give the borrower the maximum flexibility in the use of such funds, that he should be able to shop around within that country and not be limited to a single project or a single supplier.

On the supply side, I do not think that any country whose exports are normally competitive has any reason to fear that it will not receive a fair share of Bank-financed contracts. Swedish suppliers, for example, have furnished some 367 million kronor of goods and services for Bank-financed projects—over three times the amount of Sweden's paid-in subscription to the Bank. Under Bank loans, Swedish companies have supplied goods and services for projects in 37 countries. The items supplied have been of a wide variety, but in particular, Swedish firms have competed very strongly

Technical
Assistance
activities
of the
WORLD BANK

Text of an address before the Institute of Banking and Financial Studies, Paris, June 4, 1964, by MR. GEOFFREY M. WILSON, Vice President, World Bank and International Development Association.



THIS OPPORTUNITY of appearing before the Institute of Banking Studies is a most welcome one. It presents an occasion on which the World Bank can acknowledge the important part which France has played in its affairs. France is one of the largest single shareholders in our Bank. Her ready response to our calls on her subscribed capital have constituted an element of strength for us from the early days of our operations. We are also indebted to France for a large and growing number of experts on our staff—economists, engineers, lawyers and other specialists. If you were to visit our headquarters in Washington, as I hope some of you will be able to do, you would soon become very conscious, as we are, of the French presence in the Bank.

No doubt the principal characteristics of the Bank are familiar to many of you. We are an international organization whose membership consists of 102 governments. These governments have subscribed a slightly more than \$21,000 million of our authorized capital, and have paid in approximately \$2,000 million of this amount. We lend either to governmental or to private borrowers for projects of economic development, and so far have made \$7,800 million of long-term loans. We recover our capital through direct repayments of loans, which have amounted to \$750 million, and also by sales of portions of our loans to commercial banks and other investors which have amounted to \$1,750 million.

One of the Bank's major objectives is to mobilize private investment for economic development. We therefore augment our capital through borrowings in the world's capital markets, and these borrowings now stand at \$2,500 million. World Bank bonds denominated in dollars have been traded on the Paris Bourse for more than

a dozen years, and if it should become possible for us to borrow francs at a satisfactory rate, we would welcome the chance to sell a bond issue directly in the French market.

It is not my intention, however, to talk to you about any of these things this afternoon. Instead, I want to tell you something about the evolution of the Bank, and more particularly, about how its respect for sound banking and financial practice has led it into a wide range of activities which, in a narrow sense, are not financial at all.

Such a state of affairs was not foreseen by the founders of the Bank. For instance, Mr. Dean Acheson, who was then the American Under Secretary of State, explained to the American Congress that the Bank would be a very conservative and conventional organization indeed. He put it this way: "In the normal case, a country will borrow from private bankers; but where private banks, because of the risk, cannot make the loan on terms which are possible for the borrower, both the borrower and banker may need the assistance of the international bank. The bank's function will be to investigate the soundness of the projects for which capital is desired and, if it agrees they are sound, it will guarantee the loans made by private banks."

In fact, the Bank never did this. One of its first conclusions was that for the Bank to guarantee different loans, issued at different rates for different borrowers, would create confusion in the market. It seemed far better, therefore, for the Bank directly to establish its own credit in the market and, instead of acting primarily as a guarantor, to act as a lender, using its own capital and borrowings for the purpose.

But the Bank did take very seriously indeed its obligation to investigate the proposals put to

it, and it was out of this function of investigation that many of its broader interests grew. The process of evolution began early, with the first request put to the Bank by an underdeveloped country, a proposal that we finance a power project in Chile.

We found it necessary to visit Chile several times to get information about the project and its economic setting, and the loan was not made until a year had passed. Meantime, the Bank had acted not merely as financier, but also as economist, engineer and lawyer: the project had been modified and considerably improved, the borrowing organization had been strengthened, and the foundation had been laid for a power expansion program in Chile which has been proceeding steadily ever since.

It has continued to be our experience that our financing must be preceded by the earliest possible knowledge about the projects involved. One prospective Latin American borrower, for instance, came to us for a railway equipment loan, in which a major item were a number of large and efficient locomotives. Our investigation showed, however, that locomotives this heavy could not successfully be borne by the bridges of the system and that, in any case, they would quickly derail themselves if they navigated the curves of the system at the speeds expected. We finally made this loan, but only after the project had been carefully studied and the equipment list had been drawn up with scrupulous regard to operating conditions in the country.

The Bank itself does not have enough staff to give all the technical advice necessary in the preparation of projects. We do, however, discuss with the borrower what kinds of advice are needed, we advise on how to obtain the proper technical services from consulting engineers or other appropriate sources, and, if necessary, we

draw up terms of reference for the consultants. When the loan is finally made, the Bank includes in it the amount necessary to reimburse the expert advice involved during both the planning and the execution of the project. French consulting organizations, I may say, have frequently been employed by the Bank's clients, or such diverse projects as the new port being built at Ashdod in Israel and the Roseires irrigation project in the Sudan.

AT ABOUT the same time that the Bank was discovering that projects often were inadequately studied, we were also finding out that they were often planned without sufficient regard for their setting in the economy as a whole. We found a simple and interesting case of this in Turkey when we sent a mission there in 1949. At that time, as you will remember, there was a pressing demand for wheat in Europe. The Turks were planning to produce and export wheat on a large scale, and they were receiving overseas funds for tractors to increase production and for the construction of roads to improve the collection of wheat and its transportation to shipping points.

But at the time of our mission, no provision had been made either for storing the wheat which was waiting for shipment or for extending port facilities so that they actually could handle grain on the scale contemplated. The Bank acted to round off the whole program by lending to Turkey for grain storage and port development.

FROM THIS and other cases, we early concluded that any developing country would benefit from having some kind of program as a framework for development, relating projects to each other, taking account of the availability of financial resources, and giving thought to policy and administrative measures as well as to physical

projects that would accelerate economic development. When the Colombian Government came to us in 1949 with a request to help formulate such a program, we were glad to comply. We organized a group of 14 experts, drawn from both inside and outside the Bank, to spend three months in Colombia. They finally produced a detailed report designed to give the Colombian Government the basis for drawing up a comprehensive development program.

The Government did draw up such a program. A Planning Organization was established, other important institutional improvements were undertaken, and policy changes were made. A steady stream of funds began to flow to essential projects, especially in the fields of highway, railway and electric power development. A program to mechanize agriculture was begun. Colombia began to achieve a momentum in its economic development which, in spite of inevitable vicissitudes, has continued to the present day. We ourselves have assisted by making 25 loans totalling nearly \$390 million for development projects in Colombia.

The Bank has continued to organize missions of this kind to Thailand and Malaya, for instance, to Turkey and Spain, to Tanganyika and Uganda. The twenty-third such mission is only just now finishing its field work in Morocco.

These groups naturally have varied both in quality and effectiveness. Some, like the mission to Colombia, have been quite successful. At least two—the missions to Syria and Iraq—were frustrated by political upheavals which took place not long after their reports were submitted.

Many experts have prepared reports on the less developed countries that have been filed away and now are only gathering dust. The Bank has not been anxious to add to the supply of this

forgotten literature, and therefore has experimented with other methods of helping countries to program their development. In some cases, for instance, it has sent missions to recommend measures and help carry them through on the spot; a written report has been only an incidental product of their work.

During the decade of the 1950s, the Bank found other ways of working on the ground to improve the quality of the development effort. One of these was to station senior staff members in underdeveloped countries to serve as economic advisers to governments, sometimes for a period of a few months, sometimes over a period of years. At the same time, the Bank was also filling many requests from its member countries to provide experts for other special assignments.

In the end, the burden of this work outran the capacity of the Bank's operating staff; so that two years ago we began building a corps of experts, called the Development Advisory Service, to be available for assignment to strategic development posts in our member countries. There are 22 of these individuals at the present time, some temporarily training in the Bank, others advising governments in Africa, Asia and Latin America. In recruiting individuals for this corps, we count ourselves fortunate to have been able to enlist the talents of a number of outstanding experts whose experience has been in the French overseas service, especially in Africa.

It is still too early to tell how effective the Development Advisory Service is going to be. One member of the Service helped Nigeria to put together a promising development program for the first years of its independence. Another is now the chief planning officer in Libya, and a third is the senior economist of our Moroccan survey group. For the longer run, we ourselves would like to be able to release more members of the

senior staff to take on advisory assignments. But this requires a program to strengthen the lower echelons so that people can be set free at the top. Such a program was established last year. It brings outstanding young people, with a record of some graduate study, into the Bank for two years of intensive training before they take up permanent assignments on the staff. The first three groups already have been chosen; and three of the 31 recruits are from France.

The only long-range solution to this need for economic experts, however, is for the developing countries to produce their own. The Bank has tried to help them do so by establishing an Economic Development Institute for the training of senior officials concerned with economic affairs in the underdeveloped countries. These officials, often in middle career, have found themselves charged with great responsibilities for directing the development plans of their countries. Some studied economics years ago, some never did, but in all cases their experience requires reinforcement by broader perspectives.

The Institute was set up as a sort of staff college where these officials could come together for a period of six months, to study, to read, and to discuss practical development problems among themselves and with the best experts available from the Bank and elsewhere. The Institute began its work in 1956, and nearly 300 officials have been through it. Many have advanced to posts of critical responsibility.

The Institute has been broadening its work, particularly in recent years. It began working entirely in English, but now offers its basic seminars to French-speaking officials as well. Many of these officials are drawn from Africa, and we have been greatly impressed by their intelligence and alertness.

The Institute also has sponsored the preparation and distribution of development libraries—basic collections of some 400 books and essays on economic development. The first libraries were in English; but we have now nearly finished preparing and distributing them in French, and are now moving on to Spanish. The aim, in all cases, is to make basic writings on the economics of development reasonably accessible to the relevant officials of the underdeveloped countries.

THE USEFULNESS of development planning by now is generally recognized, and hardly any developing country is without a plan. Ironically, however, the popularity of global planning has run ahead of the preparation of projects. A senior planning official in Pakistan, for example, comments that the fundamental weakness of the Five-Year Plans in his country has been that while “an effort was made to develop consistent, aggregative planning frameworks, not enough effort went into filling these frameworks with well-conceived, well-engineered projects.”

So the Bank once more is preoccupied with the subject of its earliest concern—the preparation of projects. Neither general plans nor adequate supplies of capital will accomplish anything until the right techniques, competent management, and manpower with the proper blend of skills are brought together and focused effectively on well-conceived projects. The need is urgent, for the lack of projects today will have a crippling effect on development far into the future.

To help remedy the lack of project planning, the Bank is taking and intensifying measures to promote the preparation of projects in countries least able technically to prepare projects on their own and least able financially to bring in the necessary outside help. For these countries, we

find the necessary experts, draw up an outline of work and pay the foreign exchange costs of studies designed to produce viable projects of high economic priority. In Africa, where we think special difficulties exist, we are considering the establishment of two offices to press this line of endeavor still further. The Economic Development Institute also has been drawn into play; it is now giving special courses in project evaluation, both in English and in Spanish.

Behind all these evolutions of the Bank, there lies a certain paradox. The Bank grew beyond its original concept precisely because of the intention of its charter that it should conduct itself prudently. In order to carry out its lending properly, it had to devote much of its time and energy to technical assistance and even, in such matters as the preparation of projects, to engage in a certain modest amount of well-placed philanthropy. Nor has the paradox ended there.

The Bank's charter requires that in our lending we should give due regard to the prospects of repayment. Beginning especially in the middle 1950s, however, the Bank found that an increasing number of its member countries were unlikely to be able to repay all the development loans of which they could make use. In some cases, they had contracted too much debt at short term, although their long-run prospects were good. In others, their ability to make use of outside capital was increasing faster than their ability to service conventional loans. Newly independent countries, with young economies and no record of debt performance at all, were a special problem. In one way or another a growing number of the Bank's member countries were close to what we considered to be their debt limit; and in many of these countries the Bank, as a prudent lender, would not be able to supply all the capital that usefully could be employed.

The solution found by the member countries of the Bank, as you remember, was to create the International Development Association. IDA, as the Association is called for short, is an affiliate of the Bank, having its own funds but administered by the Directors and staff of the Bank.

When the Bank's Directors drew up IDA's charter, they made two distinctions between IDA and its parent organization. In the first place, it was to offer much easier financial terms. Bank loans have an average length of from 15 to 20 years, and our current rate of interest is 5½%; but up to now, all of IDA's credits have been made for 50 years, and are free of interest, although a nominal charge of ¾ of 1% is made for administrative costs. In the second place, IDA was to have a more benign personality than the Bank: in addition to lending for the large-scale projects in infrastructure and industry that have been the main concern of the Bank, IDA was also to interest itself in projects of a more social character, in such fields as education and health.

IDA has now been operating since 1960. The coexistence between IDA and the Bank has been peaceful, but not uneventful. The presence of IDA, in fact, has brought about certain modifications in the practices of the Bank itself.

Of the two institutions the Bank, of course, is much the larger: it has assets of over \$7,000 million and can add to its funds, if necessary, by borrowing in the capital markets of the world. IDA has usable resources, present and prospective, of approximately \$1,500 million, and has no prospects of being able to borrow at all.

This has presented us with certain anomalies. The Bank, which deals with our relatively more prosperous customers, has adequate funds for its operations, but IDA, which deals with the poorer nations, has limited funds, and so must ration

its credits. And while it is possible to mitigate this dilemma somewhat by blending Bank loans and IDA credits in the same country, the fact that IDA's funds are limited restricts this approach.

We also have been faced by the odd circumstances that IDA clients could look to IDA to support a broader range of undertakings than the Bank. An IDA client could obtain finance for construction to expand a school system, for instance, while a Bank client could not.

In the end, we have concluded that the Bank, as the bigger entity, has the strength partly to close the gap between the two institutions. For example, we recently have made a loan in which the Bank allowed an unusually long grace period of eight years, in the case of a borrowing country whose financial position should be stronger in the middle and long run than it is today. This period is almost as long as the ten years allowed by IDA, and three years longer than the usual maximum allowed by the Bank.

In another case, we made a loan with a final maturity of 35 years—10 years longer than the Bank's usual maximum. In this instance, the justification was that we were lending for a large-scale project with a long life expectancy in a country that already is making very full use of its financial resources. There will be more cases of this kind.

In addition to slightly relaxing the term of Bank loans in special cases, we also are broadening the social perspective of the Bank to correspond more nearly to IDA's. For example, IDA has financed education projects when it appeared that they could make an important contribution to economic development; and the Bank is now willing to take up a modest share of this task.

ONE OTHER CONSEQUENCE of prudent behavior was not fully weighed by the founders of the Bank. The Bank's business, in fact, has proved to be quite profitable—so profitable that certain problems and opportunities have arisen that could not possibly have been foreseen when the Bank was born.

The chief sources of the Bank's profit, of course, is its income from interest charges, and perhaps you will allow me to digress for just a moment to say how these are set. Since we borrow the greater part of what we lend, our interest charge to borrowers must cover the price which the Bank itself must pay for money. To this we add an amount which is intended to cover our administrative expenses as well as to add to our reserves.

Our interest rate is set in this way: if we were making a loan today, the basic element in what we would charge would be the cost of money to us—to take a hypothetical figure, say $4\frac{1}{2}\%$. To this factor we would add $1\frac{1}{4}\%$ for reserves and administrative costs—a total of $5\frac{3}{4}\%$. In fact, we are slow to move our rate upward and quick to bring it down, and today, in view of the fact that interest rates have only recently moved up to the $4\frac{1}{2}\%$ level in the United States, we are charging only $5\frac{1}{2}\%$. I may add that even if our financial condition would permit a somewhat lower charge, there is a compelling reason why our rates should reflect market rates of interest. Our charter forbids us to make loans when other capital is available on reasonable terms, and we therefore cannot underbid the market by offering loans at lower rates.

Over the course of time, the Bank's long-term rate has varied from $4\frac{1}{4}\%$ to $6\frac{1}{4}\%$. In fact, since we have interest-free capital as well as borrowed funds, this has given us a comfortable margin. Our net earnings this year will amount

to nearly \$100 million, and our income from commissions will amount to another \$30 million or more. All in all, our income from these two sources, plus a certain amount of investment income, has given us reserves and accumulated earnings of almost \$950 million.

We believe that the Bank is now financially strong enough to lend a hand to IDA. The President of the Bank has announced his intention of recommending to our Directors that at the end of this fiscal year, some of the Bank's current earnings be transferred to IDA.

What we have in mind is a transfer of an amount which might prudently have been distributed as a dividend. This policy, if approved and continued in future years by the Directors, as we believe it will be, should over a period of time provide IDA with considerable supplemental strength. It is not intended to be a substitute for support of IDA by its member governments, but it will go some way to establish a better balance between the Bank and IDA.

FINALLY, LET ME REFER to one last unexpected line of evolution, one that springs especially from the Bank's character as an international organization bound to serve impartially the interests of all its members. Over the years, the Bank's reputation for impartiality and objectivity has caused its members to call on it more than once to mediate or arbitrate disputes arising in fields in which it has some expertise.

The case which probably is best known in France was the dispute that arose between the shareholders of the Suez Canal Company and the Egyptian Government as a result of the Government's termination of the Canal lease and the expropriation of Company property. At the request of the parties concerned, the Bank undertook a

detailed study of the issues and the facts; and in the end was able to arrange a settlement, now fully carried out, under which the shareholders received compensation of 28 million pounds.

The Bank or its President were asked to intervene in other cases as well: the disputes between the Government of Iran and the Anglo-Iranian Oil Company, between the Governments of the United Kingdom and Egypt over the incidents of July 1956, between India and Pakistan over the sharing of the waters of the Indus system of rivers. Most recently, the President of the Bank acceded to a request to suggest a settlement of the default by the City of Tokyo on the French tranche of its bonds of 1912—a settlement which we judge to have been a fair one since, while it was accepted by both sides, it aroused the enthusiasm neither of the bondholders nor of the City of Tokyo.

In all these cases, the Bank was seeking to settle disputes whose existence, if continued, would have constituted in greater or less degree an obstruction to the international flow of private capital. Our experience has led us to believe that we might make some more permanent contribution in this direction by creating international machinery under the umbrella of the Bank which would be available on a voluntary basis for the conciliation and arbitration of disputes arising between private investors on the one hand and governments on the other. At the request of the Governors, the Directors and staff of the Bank now have given this idea the form of a draft Convention, and this draft has been discussed by legal experts of our member countries at regional meetings which have been held in Europe, Africa, Latin America and Asia.

The Convention would make available facilities to which foreign investors and governments, as I have said, could have access on a voluntary

basis. The method of settlement selected might be conciliation, arbitration, or conciliation followed by arbitration in case the conciliation effort should fail. The Convention would set up a mechanism for the selection of conciliators and arbitrators and for the conduct of the proceedings.

The initiative for such proceedings might come from a State as well as an investor. But no State that had signed the Convention would be compelled to resort to the facilities of the conciliation and arbitration center, and no foreign investor could initiate proceedings against a signatory State unless that State and the investor had previously agreed to the proceedings. However, once they had so agreed, both parties would be irrevocably bound to carry out their undertaking. The true significance of the Convention, in fact, lies in the insurance it provides that if the parties agree to resort to the international forum, their agreement will be given full effect. On our opinion, this would create an element of confidence which would in turn contribute to a healthier investment climate.

The fact that this may be only a modest contribution does not lessen our enthusiasm for it, and we hope that before long we can present a final text of the Convention to our member governments for their consideration.

That, then, is the story of the World Bank's evolution. But what has been achieved? It is clear that neither we nor the community of nations as a whole can claim any final or very dramatic success. In some areas where strenuous efforts have been made for nearly two decades the standard of living has increased hardly at all.

Nevertheless, I believe that more progress has been made than even we who live with these problems sometimes realize. One not unimportant

achievement has been the accumulation of a valuable store of knowledge and experience by the many organizations and individuals working in the field of economic development. In Africa, Asia and Latin America, more has been done since World War II than ever before to build the means of production and to create the conditions of progress. It is true that we have a long way to go, but we have come a long way already, and there is good reason to be hopeful about the journey that still faces us.

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LA BANQUE MONDIALE ET
LES BESOINS DES PAYS NEUFS

Discours prononcé par M. Geoffrey M. Wilson,
Vice-Président de la Banque Mondiale,
devant l'Institut d'Etudes Bancaires et Financières
A Paris, le 4 juin 1964

Monsieur le Président, Messieurs,

Il m'est particulièrement agréable de me présenter aujourd'hui devant l'Institut d'Etudes Bancaires et Financières, et je remercie le Président Moreau-Néret de m'avoir donné ce privilège. La Banque Mondiale trouve ainsi une occasion de rendre, ici dans votre capitale, hommage à la France pour le rôle important qu'elle a joué dans ses opérations. La France est l'un des plus gros actionnaires de notre organisme. Sa prompte réponse à nos appels pour le versement de la part qu'elle a souscrite à notre capital a contribué, dès le début de nos opérations, à renforcer notre position. Nous sommes aussi redevables à la France du nombre élevé et croissant d'experts qu'elle nous a fournis et qui sont devenus nos collaborateurs permanents en qualité d'économistes, d'ingénieurs, de juristes et autres spécialistes. Si vous veniez nous rendre visite à Washington, et j'espère bien que certains d'entre vous le feront, vous aurez vite conscience, comme nous-mêmes, de cette présence française dans la Banque.

Les traits majeurs de la Banque sont certainement bien connus de nombre d'entre vous. Nous sommes un organisme international groupant 102 gouvernements de pays membres. Ces gouvernements ont souscrit un peu plus de 21.000 millions de dollars au titre de notre capital autorisé et ont versé sur ce montant environ 2.000 millions. Nous prêtons à des gouvernements ou à des emprunteurs privés pour des projets de développement économique et nous avons accordé jusqu'à présent 7.800 millions de dollars de prêts à long terme. Nous

reconstituons nos fonds grâce aux remboursements directs du principal prêté, qui ont atteint 750 millions de dollars, et aussi par la vente de portions de nos prêts à des banques ou d'autres organismes d'investissement, pour un montant qui s'est élevé jusqu'à présent à 1.750 millions de dollars.

L'un des objectifs primordiaux de la Banque est de mobiliser les capitaux privés pour servir le développement. A cette fin nous augmentons notre capital disponible en émettant des emprunts sur les marchés financiers du monde. A l'heure actuelle la part de ces emprunts qui circule atteint 2.500 millions de dollars. Les obligations de la Banque Mondiale libellées en dollars sont négociées à la Bourse de Paris depuis plus de douze ans, et s'il devenait possible d'emprunter des francs à un taux satisfaisant nous serions heureux de placer une émission d'obligations directement sur le marché français.

Mon intention n'est pas cependant de vous entretenir de ces questions aujourd'hui. Je voudrais plutôt vous parler de l'évolution de la Banque et, en particulier, d'un fait: comment le respect manifesté par elle à l'égard de saines pratiques bancaires et financières l'a conduit à se lancer dans toute une gamme d'activités qui, à proprement parler, ne relèvent plus du tout du domaine financier.

Cela n'avait pas été prévu par ceux qui ont créé la Banque. Ainsi Monsieur Dean Acheson, à l'époque Sous-Secrétaire d'Etat, avait expliqué au Congrès américain que la Banque allait être en réalité une organisation très conservatrice et même conventionnelle. Il avait notamment dit ceci: "Le plus souvent un pays emprunte à des banques privées; mais si les banques privées, en raison du risque, ne peuvent consentir de prêt à des conditions acceptables pour l'emprunteur, alors celui-ci, comme le banquier, pourra avoir besoin de l'aide de la Banque Internationale. Le rôle de la Banque sera d'examiner le sérieux des projets pour lesquels des moyens financiers sont sollicités, et, si elle les apprécie tels, de garantir les prêts accordés par les banques privées".

En fait la Banque n'a jamais procédé ainsi. Une des conclusions auxquelles elle est arrivée très vite était que si elle offrait sa garantie à plusieurs emprunts, émis à des taux différents en faveur de divers emprunteurs, il en résulterait une certaine confusion sur le marché. Aussi a-t-il paru bien préférable que la Banque établisse directement son crédit sur le marché et, au lieu d'intervenir surtout en qualité de garant, qu'elle joue le rôle d'un prêteur de fonds, utilisant pour cela son propre capital et ses emprunts.

En fait la Banque a même pris très à coeur sa tâche d'étudier à fond les propositions qui lui étaient soumises, et c'est justement cette fonction d'investigation qui l'a amenée à élargir nombre de ses activités. Cette évolution a commencé lors de la première demande présentée à la Banque par un pays sous-développé, pour le financement au Chili d'un projet de centrale électrique.

Nous avons jugé nécessaire d'envoyer des experts au Chili à plusieurs reprises, afin d'obtenir les renseignements désirés sur le projet et ses aspects économiques, et le prêt ne fut accordé qu'au bout de d'un an. Entre temps la Banque était intervenue en qualité de financier, bien sûr, mais aussi en tant qu'économiste, ingénieur, et juriste. Le projet avait été modifié et sensiblement amélioré, l'organisme emprunteur avait été renforcé, et on avait jeté les bases d'un programme d'expansion de la production d'électricité au Chili dont l'exécution s'est poursuivie avec régularité depuis lors.

Nous avons toujours constaté par la suite qu'avant d'accorder des moyens de financement, il était absolument nécessaire d'acquérir le plus tôt possible une connaissance complète des projets faisant l'objet d'une demande. Ainsi, un emprunteur éventuel d'Amérique latine était venu solliciter un prêt pour financer un projet d'équipement ferroviaire qui portait notamment sur un certain nombre de grosses locomotives d'excellente qualité. Or notre enquête a montré que des locomotives aussi lourdes ne pourraient être supportées par les ponts du réseau, et que de toute façon elles sortiraient vite des rails si elles prenaient les courbes des voies ferrées aux vitesses prévues. Finalement nous avons accordé le prêt, mais seulement après avoir soigneusement étudié le projet et après l'établissement d'une liste descriptive du matériel qui tienne scrupuleusement compte des conditions dans lesquelles fonctionnait le réseau du pays.

La Banque ne dispose pas elle-même du personnel suffisant pour fournir tous les conseils techniques nécessaires à la préparation des projets. Nous examinons cependant avec l'emprunteur quelles sortes de conseils lui sont indispensables, nous lui indiquons comment obtenir l'assistance technique adéquate d'ingénieurs conseils ou d'autres organismes; et, le cas échéant, nous établissons les directives qui seront remises aux consultants. Lorsque le prêt est finalement accordé, la Banque y inclut le montant des honoraires demandés par les experts pendant la phase de préparation comme pendant la phase d'exécution du projet. Je peux vous dire que les clients de la Banque ont fait souvent appel au concours des bureaux d'études français, pour des

projets aussi divers que, par exemple, les nouvelles installations portuaires en cours de construction à Ashdod en Israël, ou le projet d'irrigation de Roseires au Soudan.

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A peu près à l'époque où avait lieu cette prise de conscience de la préparation insuffisante des projets, nous nous sommes aperçu également que lors de l'établissement de ces projets on ne tenait pas suffisamment compte, en règle générale, de leur insertion dans un ensemble économique. Un cas semblable s'est présenté à nous sous une forme simple mais intéressante lorsque nous avons envoyé une mission en Turquie en 1949. Il y avait alors en Europe, vous vous en souvenez, une demande pressante de blé. Les turcs envisageaient de produire et d'exporter du blé sur une grande échelle, et ils recevaient des capitaux de l'étranger pour acheter les tracteurs dont ils avaient besoin afin d'accroître la production et de construire les routes qui faciliteraient la récolte du blé et son transport aux points d'expédition.

Mais lorsque notre mission s'est rendue en Turquie rien n'avait été prévu, ni pour stocker le blé avant son acheminement, ni pour agrandir les installations portuaires, de façon qu'elles puissent traiter le volume prévu des exportations de blé. La Banque s'est efforcée de permettre la réalisation du programme d'ensemble en finançant des installations de stockage du blé et des aménagements portuaires.

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A partir de ce cas et d'autres cas semblables, nous sommes vite arrivés à la conclusion que les pays en développement auraient avantage à établir une sorte de programme pour servir de cadre général à leur développement, articuler entre eux les projets, tenir compte des ressources financières disponibles, prévoir les mesures administratives et politiques ainsi que les projets concrets qui permettraient d'accélérer le développement de leur économie. Lorsque le Gouvernement de Colombie nous a demandé en 1949 de l'aider à établir un programme de ce genre, nous avons été heureux d'accéder à sa requête. Nous avons constitué un groupe de 14 experts, prélevés sur les effectifs de la Banque et dans d'autres organismes, qui ont séjourné trois mois en Colombie. Ce groupe a finalement remis un rapport détaillé qui devait fournir au Gouvernement colombien les bases nécessaires à l'institution d'un vaste programme de développement.

Le Gouvernement a mis en oeuvre un tel programme. Un Office du Plan a été créé, d'autres importantes réformes de structure ont eu lieu, et des changements politiques sont intervenus. Des apports réguliers de capitaux ont peu à peu financé les projets essentiels, notamment dans les secteurs des routes, des chemins de fer et de la production d'électricité. Un programme de mécanisation agricole a été mis sur pied. L'impulsion était donnée au développement économique de la Colombie, et ce processus se poursuit à l'heure qu'il est en dépit d'inévitables vicissitudes. Pour notre part, nous avons aidé la Colombie en lui accordant 25 prêts, se montant au total à près de 390 millions de dollars, pour financer des projets de développement.

La Banque a continué à organiser des missions de ce genre, notamment en Thaïlande et en Malaisie, en Turquie et en Espagne, au Tanganyika et en Ouganda. La vingt-troisième mission, envoyée au Maroc, vient de terminer ses travaux sur place.

Bien sûr, la qualité comme l'efficacité des missions a varié. Certaines d'entre elles, la mission en Colombie notamment, ont obtenu des résultats très satisfaisants. Deux missions, au moins, celles qui ont été envoyées en Syrie et en Irak, ont échoué à cause des bouleversements politiques intervenus peu après la remise de leurs conclusions.

Parmi les nombreux rapports d'experts qui ont été rédigés sur les pays moins développés, beaucoup traînent dans la poussière. La Banque n'a pas cherché à grossir la masse de cette littérature oubliée; elle s'est davantage efforcée d'expérimenter d'autres méthodes propres à aider les pays en développement à organiser celui-ci rationnellement. Dans certains cas, par exemple, elle a envoyé sur place des missions qui étaient chargées de formuler des recommandations et de faciliter leur mise en application; le rapport écrit n'a été alors qu'un élément accessoire.

De 1950 à 1960, la Banque a trouvé d'autres moyens de contribuer sur place à améliorer la qualité de l'effort de développement. Ainsi, elle a détaché dans les pays sous-développés certains de ses cadres les plus expérimentés qui, pendant quelques mois et parfois même plusieurs années, ont joué le rôle de conseillers économiques auprès des gouvernements. En même temps, la Banque a répondu à de nombreuses demandes de ses pays membres qui souhaitaient recevoir des experts pour s'occuper d'autres problèmes particuliers.

Toutes ces activités ont fini par outrepasser les possibilités du personnel de la Banque. Aussi avons-nous fait l'essai, il y a deux ans, de constituer

un corps d'experts que nous avons appelé le Service Consultatif du Développement, ces experts pouvant être envoyés dans nos pays membres pour y occuper des postes élevés en matière de développement. Ce service compte actuellement 22 fonctionnaires; certains suivent pendant quelque temps un stage de formation à la Banque, d'autres conseillent les gouvernements en Afrique, en Asie et en Amérique latine. Pour recruter les éléments de ce corps, nous avons eu la chance de pouvoir nous assurer le concours d'un certain nombre d'experts éminents qui avaient déjà servi dans l'administration française des territoires d'outre-mer, notamment en Afrique.

Il serait prématuré de porter un jugement sur la réussite de cette expérience. Un membre de ce Service a aidé le Nigéria à mettre en route un programme de développement prometteur couvrant les premières années de son indépendance. Un autre membre fait actuellement office de chef du service du plan en Lybie, et un troisième membre est le principal économiste de notre mission d'enquête au Maroc. Nous souhaiterions plus tard libérer un plus grand nombre de nos fonctionnaires les plus expérimentés pour les affecter à des tâches consultatives. Mais cela exige un programme de formation qui permettrait de renforcer les échelons inférieurs et de libérer ainsi les échelons supérieurs. Ce programme a été établi l'année dernière. Il amène à la Banque, pour un stage de formation intensive de dix-huit mois à deux ans, de brillants jeunes gens pourvus de certains diplômes, qui pourront ensuite occuper des postes permanents. Les trois premiers groupes ont déjà été choisis, et trois des 31 jeunes recrues viennent de France.

Quoi qu'il en soit, la seule solution durable à cette pénurie d'experts économiques doit être trouvée dans les pays en voie de développement eux-mêmes. La Banque a essayé de les aider à s'engager dans cette voie en créant un Institut de Développement Economique, qui organise des stages à l'intention des hauts fonctionnaires appelés à s'occuper des questions économiques dans les pays sous-développés. Ces fonctionnaires, pour la plupart au milieu de leur carrière, se sont vus confier dans leur pays de grandes responsabilités dans la direction des programmes nationaux de développement. Certains ont fait autrefois des études économiques, d'autres n'en ont jamais fait, mais dans tous les cas, leur expérience a besoin d'être élargie par de nouveaux horizons.

L'Institut a été conçu comme une école supérieure d'administration où ces fonctionnaires peuvent être réunis pendant des sessions de six mois pour

étudier, lire et discuter entre eux des problèmes pratiques du développement, ou bien s'en entretenir avec les experts les plus qualifiés de la Banque et d'ailleurs. L'Institut a commencé à fonctionner en 1956, et près de 300 fonctionnaires y sont déjà passés. Un grand nombre d'entre eux occupent maintenant des postes de très haute responsabilité.

L'Institut a élargi le champ de ses activités, surtout au cours des dernières années. Au début il organisait des sessions en langue anglaise exclusivement, mais des sessions en français ont maintenant lieu de façon régulière. Un grand nombre des fonctionnaires francophones qui y assistent viennent d'Afrique, et leur intelligence comme leur ouverture d'esprit nous ont fort impressionnés.

L'Institut a aussi organisé la réunion et la diffusion de collections d'ouvrages sur le développement économique, groupant quelque 400 titres de livres ou études diverses. Les premières collections ont été constituées en langue anglaise, mais nous avons presque fini de réunir et de distribuer des collections semblables en langue française, et nous entreprenons maintenant le même travail en langue espagnole. De toute façon, notre objectif est de rendre facilement accessibles aux fonctionnaires des pays sous-développés ces ouvrages fondamentaux sur l'économie du développement.

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Les avantages d'une planification du développement sont d'ores et déjà universellement reconnus, et il n'est guère de pays en voie de développement qui soit totalement dépourvu de plan. Mais, constatation curieuse, la faveur accordée à la planification globale fait négliger la préparation des projets. Un haut fonctionnaire des services de planification du Pakistan a ainsi reconnu récemment que la faiblesse fondamentale des Plans Quinquennaux de son pays tient au fait que si "un effort a été accompli pour élaborer un cadre cohérent et complet de planification, on ne s'est pas assez attaché à intégrer dans ce cadre des projets bien conçus et bien agencés."

La Banque retrouve donc ici encore cette question qui a toujours revêtu pour elle une importance capitale: la préparation des projets. Les plans d'ensemble ne rempliront pas leur effet, de même que les apports de capitaux, si des méthodes appropriées, un personnel d'encadrement compétent et une main d'oeuvre suffisamment diversifiée ne sont pas mobilisés effectivement pour assurer l'exécution de projets convenablement conçus. Il s'agit là d'une

impérieuse nécessité, car l'insuffisance des projets, à l'heure actuelle, exercera inévitablement un effet paralysant à un stade ultérieur du développement.

Afin de remédier au manque de préparation des projets, la Banque prend et renforce toutes les mesures propres à faciliter leur mise au point dans les pays qui ne peuvent pour des raisons techniques effectuer eux-mêmes les études nécessaires, ou qui n'ont pas les moyens financiers requis pour recourir à une aide extérieure indispensable. En Afrique, où il semble que des problèmes particuliers se posent, nous envisageons de créer deux bureaux qui auraient pour objet de poursuivre plus activement cette tâche. L'Institut de Développement Economique a été mis d'autre part à contribution; il organise maintenant des sessions d'études spéciales, en anglais et en espagnol, sur les techniques d'appréciation des projets.

Dans toute cette évolution on trouve un certain paradoxe. Si la Banque a développé ses activités en dépassant les limites qui lui avaient été assignées à ses débuts, c'est précisément parce qu'elle doit agir avec prudence, conformément à l'esprit de ses statuts. Pour mener à bonne fin ses opérations de prêt, elle a dû consacrer une grande partie de son temps et de son énergie à l'assistance technique et même, dans le cadre de certaines activités comme la préparation des projets, faire preuve d'un peu de philanthropie bien placée. Mais le paradoxe est plus frappant encore.

Selon ses statuts, la Banque doit tenir dûment compte des perspectives de remboursement lorsqu'elle accorde un prêt. Or nous nous sommes aperçu, surtout depuis une dizaine d'années, qu'un bon nombre de nos pays membres ne pourraient vraisemblablement pas rembourser tous les prêts de développement qu'ils pourraient utiliser. Dans certains cas, ils s'étaient trop fortement endettés à court terme, bien qu'à plus longue échéance les perspectives fussent plutôt satisfaisantes. Dans d'autres cas, leur aptitude à tirer profit d'apports extérieurs de capitaux grandissait plus vite que leur capacité d'assurer le service de prêts assortis de conditions classiques. Les nouveaux Etats indépendants, dont l'économie commence à peine à se développer et qui ne sont pas à proprement parler endettés, posaient un problème particulier. D'une façon ou d'une autre, nombre de pays membres de la Banque étaient proches de ce que nous considérons être la limite de leur endettement. Dans beaucoup de ces pays, la Banque, prêteur prudent, n'aurait pas été en mesure de fournir tous les capitaux susceptibles d'être utilement employés.

La solution préconisée par les pays membres de la Banque, vous le savez, a été de créer l'Association Internationale de Développement. L'IDA, comme nous l'appelons, est une filiale de la Banque, qui dispose de fonds propres mais dont le fonctionnement est assuré par les Administrateurs et par le personnel de la Banque.

Lorsque les Administrateurs de la Banque ont élaboré les statuts de l'IDA, ils ont établi deux distinctions entre l'Association et l'organisation mère. Tout d'abord, l'Association devait offrir des conditions financières beaucoup plus favorables. Les prêts de la Banque ont une durée moyenne de 15 à 20 ans, et notre taux d'intérêt est actuellement de 5,5%; or jusqu'ici, tous les crédits de l'IDA ont été consentis pour 50 ans et sans intérêt, encore qu'une commission infime de 0,75% soit perçue pour couvrir les frais d'administration. En second lieu, l'IDA devait être plus avenante que la Banque; en plus des prêts destinés à financer des grands projets d'infrastructure ou dans l'industrie, qui constituent le terrain d'élection de la Banque, l'IDA devait aussi s'intéresser à des projets de caractère social dans certains domaines comme l'enseignement et la santé publique.

L'IDA fonctionne depuis 1960. La coexistence entre l'Association et la Banque a été pacifique, mais on ne peut pas dire qu'elle ait été sans histoire. A vrai dire, la présence de l'IDA a amené la Banque à modifier quelque peu ses pratiques.

La Banque est évidemment la plus importante des deux institutions: ses ressources dépassent 7.000 millions de dollars, et elle peut les augmenter, en cas de besoin, en lançant des emprunts sur les marchés de capitaux du monde. Les ressources disponibles de l'IDA, actuelles et prévisibles, s'élèvent approximativement à 1.500 millions de dollars, et elle n'a aucun espoir de pouvoir jamais emprunter sur le marché.

Une telle situation a entraîné quelques difficultés. La Banque, dont les clients sont relativement plus fortunés, dispose de fonds suffisants pour ses opérations alors que l'IDA, qui apporte son aide aux nations plus défavorisées, dispose de ressources limitées. L'IDA se trouve ainsi dans l'obligation de rationner ses crédits. Il est bien sûr possible de tourner un peu cette difficulté en combinant dans un même pays des prêts de la Banque et des crédits IDA. Il n'en demeure pas moins que l'exiguité des ressources de l'IDA restreint l'emploi d'une telle méthode.

Autre anomalie, les clients de l'IDA pouvaient s'adresser à elle pour financer une gamme d'entreprises plus étendue que celles qui sont du ressort de la Banque. Un client de l'IDA, par exemple, était en mesure d'obtenir des moyens financiers pour développer son équipement scolaire, alors qu'un client de la Banque ne le pouvait pas.

Nous en sommes venus à cette conclusion: quelques modifications peuvent être prudemment apportées aux opérations de la Banque. Ainsi, nous avons récemment accordé un prêt pour lequel la Banque a consenti un délai de carence exceptionnel de huit ans, en faveur d'un pays emprunteur dont la situation financière doit s'améliorer à moyen et à long terme.

Dans un autre cas, nous avons consenti un prêt dont l'amortissement s'échelonne sur 35 ans, soit dix ans de plus que la durée maximum accordée jusqu'à présent. Cela était justifié parce que le prêt était destiné à financer un projet de très longue haleine dans un pays qui utilisait déjà pleinement ses ressources financières. Nous rencontrerons certainement bien d'autres cas de ce genre dans l'avenir.

En dehors de cet allongement relatif des prêts de la Banque dans des situations bien particulières, nous cherchons aussi à élargir l'horizon des activités de la Banque dans le domaine social pour qu'il s'harmonise mieux avec celui de l'IDA. Ainsi, l'IDA a financé des projets dans le domaine de l'enseignement lorsqu'il apparaissait qu'ils étaient de nature à apporter une contribution importante au développement économique, et de son côté la Banque désire maintenant prendre une part modeste à cet effort.

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La règle d'une conduite prudente avait une autre conséquence dont les fondateurs de la Banque n'avaient pas mesuré toute la portée. En réalité, les opérations de la Banque se sont avérées rentables, à tel point que certains problèmes et certaines occasions qui se sont présentés étaient vraiment imprévisibles lors de la création de la Banque.

La principale source de bénéfices de la Banque est, évidemment, le revenu procuré par les taux d'intérêt, et vous me permettrez peut-être de faire une brève digression pour vous expliquer comment ils sont fixés. Etant donné que nous empruntons la majeure partie des fonds que nous prêtons, l'intérêt que nous demandons aux emprunteurs doit inclure le prix que la Banque a dû payer

elle-même pour les fonds qu'elle se procure. A cela vient s'ajouter un montant qui est destiné à couvrir nos dépenses administratives et à grossir nos réserves.

Notre taux d'intérêt est fixé de la façon suivante: si nous devions consentir un prêt aujourd'hui, l'élément de base serait le prix que l'argent nous coûterait, 4,5% par exemple pour prendre un chiffre théorique. Nous y ajouterions 1,25% pour les réserves et les frais administratifs, ce qui fait au total 5,75%. En réalité, nous ne relevons que lentement notre taux et nous sommes prompts à l'abaisser. Actuellement nous ne demandons que 5,5%, tenant compte du fait qu'aux Etats-Unis les taux d'intérêt viennent seulement d'être portés à 4,5%. J'ajouterai que même si notre situation financière nous permettait de prendre un intérêt un peu plus faible, une raison impérieuse nous obligerait à fixer des taux qui correspondent aux taux pratiqués sur le marché. Nos statuts nous interdisent en effet de consentir des prêts lorsque d'autres capitaux sont disponibles à des conditions raisonnables, et nous ne pouvons en conséquence offrir des prêts à des conditions plus avantageuses que celles du marché.

Au cours des années, le taux d'intérêt à long terme de la Banque a varié entre 4,25% et 6,25%. En fait, comme nous disposons d'un capital ne portant pas intérêt, de réserves accumulées et de fonds empruntés, cela nous laisse une marge confortable. Nos recettes nettes atteindront cette année près de 100 millions de dollars, et le revenu provenant de nos commissions procurera encore 30 millions de dollars au moins. Au total, les revenus de ces deux sources, augmentés d'un certain montant de revenus des investissements, ont porté nos réserves et nos recettes cumulées à près de 950 millions de dollars.

Nous considérons que la Banque a maintenant une position financière assez solide pour qu'elle puisse apporter son soutien à l'IDA. Le Président de la Banque a fait connaître son intention de recommander à nos Administrateurs qu'à la fin du présent exercice financier une partie des recettes courantes de la Banque soit transférée à l'IDA.

Notre intention est de transférer un montant qui aurait pu sans aucun risque faire l'objet d'une distribution au titre de dividendes. Cette politique, si elle est approuvée et poursuivie au cours des prochaines années par les Administrateurs, et nous pensons qu'elle le sera, devrait au bout d'un certain temps conférer à l'IDA des ressources nouvelles considérables. Il ne s'agit en aucune façon de se passer du soutien que l'IDA reçoit de ses gouvernements membres, mais de contribuer à ce qu'un meilleur équilibre soit institué entre la Banque et l'IDA.

Pour terminer, je voudrais, si vous le permettez, évoquer un dernier aspect assez inattendu de notre évolution, qui découle du caractère propre de la Banque, organisation internationale astreinte à servir impartialement les intérêts de tous ses membres. Au cours des années, la réputation d'impartialité et d'objectivité acquise par la Banque a conduit ses membres à faire plus d'une fois appel à elle pour jouer le rôle de médiateur ou d'arbitre à l'occasion de litiges survenus dans des domaines où elle a acquis quelque expérience.

Le cas le plus connu en France est sans doute le litige qui opposa les actionnaires de la Compagnie du Canal de Suez au Gouvernement égyptien après que celui-ci ait résilié la concession du Canal et exproprié la Compagnie. A la demande des parties intéressées, la Banque a entrepris une étude approfondie de l'affaire, sur le fond et sur les faits, et elle a fini par obtenir un règlement qui a été mené à son terme et qui a permis aux actionnaires de recevoir une indemnité de 28 millions de livres. L'intervention de la Banque ou de son Président a été demandée également à propos d'autres litiges: celui qui opposa le Gouvernement iranien et l'Anglo-Iranian Oil Company; celui amené par les incidents de juillet 1956, entre le Royaume Uni et l'Egypte; le litige entre l'Inde et le Pakistan au sujet du partage des eaux du bassin de l'Indus. Tout récemment le Président de la Banque a accepté de suggérer un règlement à la suite du refus de paiement, par la Ville de Tokyo, d'une tranche d'obligations émises en 1912 et détenues par des porteurs français. Ce règlement nous a paru équitable, car il a été accepté par les deux parties et n'a provoqué l'enthousiasme ni des porteurs d'obligations ni de la Ville de Tokyo.

Dans tous ces cas, la Banque s'est efforcée de régler des litiges qui, s'ils n'avaient pas pris fin, auraient plus ou moins entravé les mouvements internationaux de capitaux privés. L'expérience nous a conduits à penser que dans ce domaine nous pourrions apporter une contribution d'un caractère plus permanent en créant un mécanisme international, placé sous l'égide de la Banque, auquel on pourrait faire librement appel pour la conciliation et l'arbitrage de litiges nés entre des investisseurs privés d'une part, et des gouvernements d'autre part. A la demande des Gouverneurs, les Administrateurs et le personnel de la Banque ont mis à profit cette idée en établissant un projet de Convention. Ce projet a été discuté par les experts juridiques de nos pays membres lors de réunions qui ont été organisées par grandes régions en Europe,

en Afrique, en Amérique latine et en Asie.

La Convention mettrait à la disposition des investisseurs étrangers et des gouvernements des institutions auxquelles ils pourraient avoir recours, comme je l'ai dit, sur une base volontaire. La procédure de règlement choisie pourrait être la conciliation, l'arbitrage ou la conciliation suivie d'un arbitrage au cas où la tentative de conciliation échouerait. La Convention fixerait le mode de sélection des conciliateurs et des arbitres, ainsi que les détails de la procédure.

Cette procédure pourrait être ouverte par un Etat aussi bien que par un investisseur. Mais aucun Etat signataire de la Convention ne serait tenu de saisir le centre de conciliation et d'arbitrage, et aucun investisseur étranger ne pourrait assigner un Etat signataire si l'Etat et l'investisseur n'ont pas préalablement accepté le recours à cette instance. Mais une fois que les deux parties auraient accepté de la saisir d'un litige, elles seraient irrévocablement tenues de s'acquitter de leur engagement. A vrai dire, l'intérêt réel de la Convention réside dans cette assurance de voir l'accord des parties prendre pleinement effet si elles conviennent de saisir l'instance internationale. A notre avis, un sentiment de confiance pourrait naître ainsi, qui, à son tour, contribuerait à assainir le climat des investissements.

Même si cette contribution n'était que modeste, notre enthousiasme n'en serait pas diminué pour autant. Et nous espérons pouvoir soumettre bientôt le texte définitif de la Convention à l'examen de nos gouvernements membres.

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Voilà l'histoire de la Banque Mondiale. Mais quels résultats avons-nous obtenus? Il est évident que nous ne pouvons pas plus que la communauté des nations revendiquer des succès définitifs, voire spectaculaires. Dans certaines régions où, depuis près de vingt ans, notre effort a été particulièrement opiniâtre, le niveau d'existence ne s'est pour ainsi dire pas élevé.

Je crois néanmoins que les progrès qui ont été réalisés sont plus tangibles que nous-mêmes qui vivons ces problèmes ne le pensons parfois. Un résultat déjà non négligeable est cette somme appréciable de connaissances théoriques et pratiques accumulée par les nombreux organismes et individus qui se consacrent au développement économique. En Afrique, en Asie et en Amérique latine, jamais avant la Deuxième Guerre Mondiale on n'avait tant travaillé pour mettre en place des moyens de production et créer les conditions nécessaires au progrès. Il est vrai que nous avons encore un long chemin à parcourir, mais l'étape déjà franchie est considérable, et il y a tout lieu d'envisager avec optimisme la tâche qui reste à accomplir.

BANQUE INTERNATIONALE POUR LA
RECONSTRUCTION ET LE DEVELOPPEMENT



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LA BANQUE MONDIALE ET
LES BESOINS DES PAYS NEUFS

Discours prononcé par M. Geoffrey M. Wilson,
Vice-Président de la Banque Mondiale,
devant l'Institut d'Etudes Bancaires et Financières
A Paris, le 4 juin 1964

Monsieur le Président, Messieurs,

Il m'est particulièrement agréable de me présenter aujourd'hui devant l'Institut d'Etudes Bancaires et Financières, et je remercie le Président Moreau-Néret de m'avoir donné ce privilège. La Banque Mondiale trouve ainsi une occasion de rendre, ici dans votre capitale, hommage à la France pour le rôle important qu'elle a joué dans ses opérations. La France est l'un des plus gros actionnaires de notre organisme. Sa prompte réponse à nos appels pour le versement de la part qu'elle a souscrite à notre capital a contribué, dès le début de nos opérations, à renforcer notre position. Nous sommes aussi redevables à la France du nombre élevé et croissant d'experts qu'elle nous a fournis et qui sont devenus nos collaborateurs permanents en qualité d'économistes, d'ingénieurs, de juristes et autres spécialistes. Si vous veniez nous rendre visite à Washington, et j'espère bien que certains d'entre vous le feront, vous aurez vite conscience, comme nous-mêmes, de cette présence française dans la Banque.

Les traits majeurs de la Banque sont certainement bien connus de nombre d'entre vous. Nous sommes un organisme international groupant 102 gouvernements de pays membres. Ces gouvernements ont souscrit un peu plus de 21.000 millions de dollars au titre de notre capital autorisé et ont versé sur ce montant environ 2.000 millions. Nous prêtons à des gouvernements ou à des emprunteurs privés pour des projets de développement économique et nous avons accordé jusqu'à présent 7.800 millions de dollars de prêts à long terme. Nous

reconstituons nos fonds grâce aux remboursements directs du principal prêté, qui ont atteint 750 millions de dollars, et aussi par la vente de portions de nos prêts à des banques ou d'autres organismes d'investissement, pour un montant qui s'est élevé jusqu'à présent à 1.750 millions de dollars.

L'un des objectifs primordiaux de la Banque est de mobiliser les capitaux privés pour servir le développement. A cette fin nous augmentons notre capital disponible en émettant des emprunts sur les marchés financiers du monde. A l'heure actuelle la part de ces emprunts qui circule atteint 2.500 millions de dollars. Les obligations de la Banque Mondiale libellées en dollars sont négociées à la Bourse de Paris depuis plus de douze ans, et s'il devenait possible d'emprunter des francs à un taux satisfaisant nous serions heureux de placer une émission d'obligations directement sur le marché français.

Mon intention n'est pas cependant de vous entretenir de ces questions aujourd'hui. Je voudrais plutôt vous parler de l'évolution de la Banque et, en particulier, d'un fait: comment le respect manifesté par elle à l'égard de saines pratiques bancaires et financières l'a conduit à se lancer dans toute une gamme d'activités qui, à proprement parler, ne relèvent plus du tout du domaine financier.

Cela n'avait pas été prévu par ceux qui ont créé la Banque. Ainsi Monsieur Dean Acheson, à l'époque Sous-Secrétaire d'Etat, avait expliqué au Congrès américain que la Banque allait être en réalité une organisation très conservatrice et même conventionnelle. Il avait notamment dit ceci: "Le plus souvent un pays emprunte à des banques privées; mais si les banques privées, en raison du risque, ne peuvent consentir de prêt à des conditions acceptables pour l'emprunteur, alors celui-ci, comme le banquier, pourra avoir besoin de l'aide de la Banque Internationale. Le rôle de la Banque sera d'examiner le sérieux des projets pour lesquels des moyens financiers sont sollicités, et, si elle les apprécie tels, de garantir les prêts accordés par les banques privées".

En fait la Banque n'a jamais procédé ainsi. Une des conclusions auxquelles elle est arrivée très vite était que si elle offrait sa garantie à plusieurs emprunts, émis à des taux différents en faveur de divers emprunteurs, il en résulterait une certaine confusion sur le marché. Aussi a-t-il paru bien préférable que la Banque établisse directement son crédit sur le marché et, au lieu d'intervenir surtout en qualité de garant, qu'elle joue le rôle d'un prêteur de fonds, utilisant pour cela son propre capital et ses emprunts.

En fait la Banque a même pris très à coeur sa tâche d'étudier à fond les propositions qui lui étaient soumises, et c'est justement cette fonction d'investigation qui l'a amenée à élargir nombre de ses activités. Cette évolution a commencé lors de la première demande présentée à la Banque par un pays sous-développé, pour le financement au Chili d'un projet de centrale électrique.

Nous avons jugé nécessaire d'envoyer des experts au Chili à plusieurs reprises, afin d'obtenir les renseignements désirés sur le projet et ses aspects économiques, et le prêt ne fut accordé qu'au bout de d'un an. Entre temps la Banque était intervenue en qualité de financier, bien sûr, mais aussi en tant qu'économiste, ingénieur, et juriste. Le projet avait été modifié et sensiblement amélioré, l'organisme emprunteur avait été renforcé, et on avait jeté les bases d'un programme d'expansion de la production d'électricité au Chili dont l'exécution s'est poursuivie avec régularité depuis lors.

Nous avons toujours constaté par la suite qu'avant d'accorder des moyens de financement, il était absolument nécessaire d'acquérir le plus tôt possible une connaissance complète des projets faisant l'objet d'une demande. Ainsi, un emprunteur éventuel d'Amérique latine était venu solliciter un prêt pour financer un projet d'équipement ferroviaire qui portait notamment sur un certain nombre de grosses locomotives d'excellente qualité. Or notre enquête a montré que des locomotives aussi lourdes ne pourraient être supportées par les ponts du réseau, et que de toute façon elles sortiraient vite des rails si elles prenaient les courbes des voies ferrées aux vitesses prévues. Finalement nous avons accordé le prêt, mais seulement après avoir soigneusement étudié le projet et après l'établissement d'une liste descriptive du matériel qui tienne scrupuleusement compte des conditions dans lesquelles fonctionnait le réseau du pays.

La Banque ne dispose pas elle-même du personnel suffisant pour fournir tous les conseils techniques nécessaires à la préparation des projets. Nous examinons cependant avec l'emprunteur quelles sortes de conseils lui sont indispensables, nous lui indiquons comment obtenir l'assistance technique adéquate d'ingénieurs conseils ou d'autres organismes; et, le cas échéant, nous établissons les directives qui seront remises aux consultants. Lorsque le prêt est finalement accordé, la Banque y inclut le montant des honoraires demandés par les experts pendant la phase de préparation comme pendant la phase d'exécution du projet. Je peux vous dire que les clients de la Banque ont fait souvent appel au concours des bureaux d'études français, pour des

projets aussi divers que, par exemple, les nouvelles installations portuaires en cours de construction à Ashdod en Israël, ou le projet d'irrigation de Roseires au Soudan.

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A peu près à l'époque où avait lieu cette prise de conscience de la préparation insuffisante des projets, nous nous sommes aperçu également que lors de l'établissement de ces projets on ne tenait pas suffisamment compte, en règle générale, de leur insertion dans un ensemble économique. Un cas semblable s'est présenté à nous sous une forme simple mais intéressante lorsque nous avons envoyé une mission en Turquie en 1949. Il y avait alors en Europe, vous vous en souvenez, une demande pressante de blé. Les turcs envisageaient de produire et d'exporter du blé sur une grande échelle, et ils recevaient des capitaux de l'étranger pour acheter les tracteurs dont ils avaient besoin afin d'accroître la production et de construire les routes qui faciliteraient la récolte du blé et son transport aux points d'expédition.

Mais lorsque notre mission s'est rendue en Turquie rien n'avait été prévu, ni pour stocker le blé avant son acheminement, ni pour agrandir les installations portuaires, de façon qu'elles puissent traiter le volume prévu des exportations de blé. La Banque s'est efforcée de permettre la réalisation du programme d'ensemble en finançant des installations de stockage du blé et des aménagements portuaires.

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A partir de ce cas et d'autres cas semblables, nous sommes vite arrivés à la conclusion que les pays en développement auraient avantage à établir une sorte de programme pour servir de cadre général à leur développement, articuler entre eux les projets, tenir compte des ressources financières disponibles, prévoir les mesures administratives et politiques ainsi que les projets concrets qui permettraient d'accélérer le développement de leur économie. Lorsque le Gouvernement de Colombie nous a demandé en 1949 de l'aider à établir un programme de ce genre, nous avons été heureux d'accéder à sa requête. Nous avons constitué un groupe de 14 experts, prélevés sur les effectifs de la Banque et dans d'autres organismes, qui ont séjourné trois mois en Colombie. Ce groupe a finalement remis un rapport détaillé qui devait fournir au Gouvernement colombien les bases nécessaires à l'institution d'un vaste programme de développement.

Le Gouvernement a mis en oeuvre un tel programme. Un Office du Plan a été créé, d'autres importantes réformes de structure ont eu lieu, et des changements politiques sont intervenus. Des apports réguliers de capitaux ont peu à peu financé les projets essentiels, notamment dans les secteurs des routes, des chemins de fer et de la production d'électricité. Un programme de mécanisation agricole a été mis sur pied. L'impulsion était donnée au développement économique de la Colombie, et ce processus se poursuit à l'heure qu'il est en dépit d'inévitables vicissitudes. Pour notre part, nous avons aidé la Colombie en lui accordant 25 prêts, se montant au total à près de 390 millions de dollars, pour financer des projets de développement.

La Banque a continué à organiser des missions de ce genre, notamment en Thaïlande et en Malaisie, en Turquie et en Espagne, au Tanganyika et en Ouganda. La vingt-troisième mission, envoyée au Maroc, vient de terminer ses travaux sur place.

Bien sûr, la qualité comme l'efficacité des missions a varié. Certaines d'entre elles, la mission en Colombie notamment, ont obtenu des résultats très satisfaisants. Deux missions, au moins, celles qui ont été envoyées en Syrie et en Irak, ont échoué à cause des bouleversements politiques intervenus peu après la remise de leurs conclusions.

Parmi les nombreux rapports d'experts qui ont été rédigés sur les pays moins développés, beaucoup traînent dans la poussière. La Banque n'a pas cherché à grossir la masse de cette littérature oubliée; elle s'est davantage efforcée d'expérimenter d'autres méthodes propres à aider les pays en développement à organiser celui-ci rationnellement. Dans certains cas, par exemple, elle a envoyé sur place des missions qui étaient chargées de formuler des recommandations et de faciliter leur mise en application; le rapport écrit n'a été alors qu'un élément accessoire.

De 1950 à 1960, la Banque a trouvé d'autres moyens de contribuer sur place à améliorer la qualité de l'effort de développement. Ainsi, elle a détaché dans les pays sous-développés certains de ses cadres les plus expérimentés qui, pendant quelques mois et parfois même plusieurs années, ont joué le rôle de conseillers économiques auprès des gouvernements. En même temps, la Banque a répondu à de nombreuses demandes de ses pays membres qui souhaitaient recevoir des experts pour s'occuper d'autres problèmes particuliers.

Toutes ces activités ont fini par outrepasser les possibilités du personnel de la Banque. Aussi avons-nous fait l'essai, il y a deux ans, de constituer

un corps d'experts que nous avons appelé le Service Consultatif du Développement, ces experts pouvant être envoyés dans nos pays membres pour y occuper des postes élevés en matière de développement. Ce service compte actuellement 22 fonctionnaires; certains suivent pendant quelque temps un stage de formation à la Banque, d'autres conseillent les gouvernements en Afrique, en Asie et en Amérique latine. Pour recruter les éléments de ce corps, nous avons eu la chance de pouvoir nous assurer le concours d'un certain nombre d'experts éminents qui avaient déjà servi dans l'administration française des territoires d'outre-mer, notamment en Afrique.

Il serait prématuré de porter un jugement sur la réussite de cette expérience. Un membre de ce Service a aidé le Nigéria à mettre en route un programme de développement prometteur couvrant les premières années de son indépendance. Un autre membre fait actuellement office de chef du service du plan en Lybie, et un troisième membre est le principal économiste de notre mission d'enquête au Maroc. Nous souhaiterions plus tard libérer un plus grand nombre de nos fonctionnaires les plus expérimentés pour les affecter à des tâches consultatives. Mais cela exige un programme de formation qui permettrait de renforcer les échelons inférieurs et de libérer ainsi les échelons supérieurs. Ce programme a été établi l'année dernière. Il amène à la Banque, pour un stage de formation intensive de dix-huit mois à deux ans, de brillants jeunes gens pourvus de certains diplômes, qui pourront ensuite occuper des postes permanents. Les trois premiers groupes ont déjà été choisis, et trois des 31 jeunes recrues viennent de France.

Quoi qu'il en soit, la seule solution durable à cette pénurie d'experts économiques doit être trouvée dans les pays en voie de développement eux-mêmes. La Banque a essayé de les aider à s'engager dans cette voie en créant un Institut de Développement Economique, qui organise des stages à l'intention des hauts fonctionnaires appelés à s'occuper des questions économiques dans les pays sous-développés. Ces fonctionnaires, pour la plupart au milieu de leur carrière, se sont vus confier dans leur pays de grandes responsabilités dans la direction des programmes nationaux de développement. Certains ont fait autrefois des études économiques, d'autres n'en ont jamais fait, mais dans tous les cas, leur expérience a besoin d'être élargie par de nouveaux horizons.

L'Institut a été conçu comme une école supérieure d'administration où ces fonctionnaires peuvent être réunis pendant des sessions de six mois pour

étudier, lire et discuter entre eux des problèmes pratiques du développement, ou bien s'en entretenir avec les experts les plus qualifiés de la Banque et d'ailleurs. L'Institut a commencé à fonctionner en 1956, et près de 300 fonctionnaires y sont déjà passés. Un grand nombre d'entre eux occupent maintenant des postes de très haute responsabilité.

L'Institut a élargi le champ de ses activités, surtout au cours des dernières années. Au début il organisait des sessions en langue anglaise exclusivement, mais des sessions en français ont maintenant lieu de façon régulière. Un grand nombre des fonctionnaires francophones qui y assistent viennent d'Afrique, et leur intelligence comme leur ouverture d'esprit nous ont fort impressionnés.

L'Institut a aussi organisé la réunion et la diffusion de collections d'ouvrages sur le développement économique, groupant quelque 400 titres de livres ou études diverses. Les premières collections ont été constituées en langue anglaise, mais nous avons presque fini de réunir et de distribuer des collections semblables en langue française, et nous entreprenons maintenant le même travail en langue espagnole. De toute façon, notre objectif est de rendre facilement accessibles aux fonctionnaires des pays sous-développés ces ouvrages fondamentaux sur l'économie du développement.

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Les avantages d'une planification du développement sont d'ores et déjà universellement reconnus, et il n'est guère de pays en voie de développement qui soit totalement dépourvu de plan. Mais, constatation curieuse, la faveur accordée à la planification globale fait négliger la préparation des projets. Un haut fonctionnaire des services de planification du Pakistan a ainsi reconnu récemment que la faiblesse fondamentale des Plans Quinquennaux de son pays tient au fait que si "un effort a été accompli pour élaborer un cadre cohérent et complet de planification, on ne s'est pas assez attaché à intégrer dans ce cadre des projets bien conçus et bien agencés."

La Banque retrouve donc ici encore cette question qui a toujours revêtu pour elle une importance capitale: la préparation des projets. Les plans d'ensemble ne rempliront pas leur effet, de même que les apports de capitaux, si des méthodes appropriées, un personnel d'encadrement compétent et une main d'oeuvre suffisamment diversifiée ne sont pas mobilisés effectivement pour assurer l'exécution de projets convenablement conçus. Il s'agit là d'une

impérieuse nécessité, car l'insuffisance des projets, à l'heure actuelle, exercera inévitablement un effet paralysant à un stade ultérieur du développement.

Afin de remédier au manque de préparation des projets, la Banque prend et renforce toutes les mesures propres à faciliter leur mise au point dans les pays qui ne peuvent pour des raisons techniques effectuer eux-mêmes les études nécessaires, ou qui n'ont pas les moyens financiers requis pour recourir à une aide extérieure indispensable. En Afrique, où il semble que des problèmes particuliers se posent, nous envisageons de créer deux bureaux qui auraient pour objet de poursuivre plus activement cette tâche. L'Institut de Développement Economique a été mis d'autre part à contribution; il organise maintenant des sessions d'études spéciales, en anglais et en espagnol, sur les techniques d'appréciation des projets.

Dans toute cette évolution on trouve un certain paradoxe. Si la Banque a développé ses activités en dépassant les limites qui lui avaient été assignées à ses débuts, c'est précisément parce qu'elle doit agir avec prudence, conformément à l'esprit de ses statuts. Pour mener à bonne fin ses opérations de prêt, elle a dû consacrer une grande partie de son temps et de son énergie à l'assistance technique et même, dans le cadre de certaines activités comme la préparation des projets, faire preuve d'un peu de philanthropie bien placée. Mais le paradoxe est plus frappant encore.

Selon ses statuts, la Banque doit tenir dûment compte des perspectives de remboursement lorsqu'elle accorde un prêt. Or nous nous sommes aperçu, surtout depuis une dizaine d'années, qu'un bon nombre de nos pays membres ne pourraient vraisemblablement pas rembourser tous les prêts de développement qu'ils pourraient utiliser. Dans certains cas, ils s'étaient trop fortement endettés à court terme, bien qu'à plus longue échéance les perspectives fussent plutôt satisfaisantes. Dans d'autres cas, leur aptitude à tirer profit d'apports extérieurs de capitaux grandissait plus vite que leur capacité d'assurer le service de prêts assortis de conditions classiques. Les nouveaux Etats indépendants, dont l'économie commence à peine à se développer et qui ne sont pas à proprement parler endettés, posaient un problème particulier. D'une façon ou d'une autre, nombre de pays membres de la Banque étaient proches de ce que nous considérons être la limite de leur endettement. Dans beaucoup de ces pays, la Banque, prêteur prudent, n'aurait pas été en mesure de fournir tous les capitaux susceptibles d'être utilement employés.

La solution préconisée par les pays membres de la Banque, vous le savez, a été de créer l'Association Internationale de Développement. L'IDA, comme nous l'appelons, est une filiale de la Banque, qui dispose de fonds propres mais dont le fonctionnement est assuré par les Administrateurs et par le personnel de la Banque.

Lorsque les Administrateurs de la Banque ont élaboré les statuts de l'IDA, ils ont établi deux distinctions entre l'Association et l'organisation mère. Tout d'abord, l'Association devait offrir des conditions financières beaucoup plus favorables. Les prêts de la Banque ont une durée moyenne de 15 à 20 ans, et notre taux d'intérêt est actuellement de 5,5%; or jusqu'ici, tous les crédits de l'IDA ont été consentis pour 50 ans et sans intérêt, encore qu'une commission infime de 0,75% soit perçue pour couvrir les frais d'administration. En second lieu, l'IDA devait être plus avenante que la Banque; en plus des prêts destinés à financer des grands projets d'infrastructure ou dans l'industrie, qui constituent le terrain d'élection de la Banque, l'IDA devait aussi s'intéresser à des projets de caractère social dans certains domaines comme l'enseignement et la santé publique.

L'IDA fonctionne depuis 1960. La coexistence entre l'Association et la Banque a été pacifique, mais on ne peut pas dire qu'elle ait été sans histoire. A vrai dire, la présence de l'IDA a amené la Banque à modifier quelque peu ses pratiques.

La Banque est évidemment la plus importante des deux institutions: ses ressources dépassent 7.000 millions de dollars, et elle peut les augmenter, en cas de besoin, en lançant des emprunts sur les marchés de capitaux du monde. Les ressources disponibles de l'IDA, actuelles et prévisibles, s'élèvent approximativement à 1.500 millions de dollars, et elle n'a aucun espoir de pouvoir jamais emprunter sur le marché.

Une telle situation a entraîné quelques difficultés. La Banque, dont les clients sont relativement plus fortunés, dispose de fonds suffisants pour ses opérations alors que l'IDA, qui apporte son aide aux nations plus défavorisées, dispose de ressources limitées. L'IDA se trouve ainsi dans l'obligation de rationner ses crédits. Il est bien sûr possible de tourner un peu cette difficulté en combinant dans un même pays des prêts de la Banque et des crédits IDA. Il n'en demeure pas moins que l'exiguité des ressources de l'IDA restreint l'emploi d'une telle méthode.

Autre anomalie, les clients de l'IDA pouvaient s'adresser à elle pour financer une gamme d'entreprises plus étendue que celles qui sont du ressort de la Banque. Un client de l'IDA, par exemple, était en mesure d'obtenir des moyens financiers pour développer son équipement scolaire, alors qu'un client de la Banque ne le pouvait pas.

Nous en sommes venus à cette conclusion: quelques modifications peuvent être prudemment apportées aux opérations de la Banque. Ainsi, nous avons récemment accordé un prêt pour lequel la Banque a consenti un délai de carence exceptionnel de huit ans, en faveur d'un pays emprunteur dont la situation financière doit s'améliorer à moyen et à long terme.

Dans un autre cas, nous avons consenti un prêt dont l'amortissement s'échelonne sur 35 ans, soit dix ans de plus que la durée maximum accordée jusqu'à présent. Cela était justifié parce que le prêt était destiné à financer un projet de très longue haleine dans un pays qui utilisait déjà pleinement ses ressources financières. Nous rencontrerons certainement bien d'autres cas de ce genre dans l'avenir.

En dehors de cet allongement relatif des prêts de la Banque dans des situations bien particulières, nous cherchons aussi à élargir l'horizon des activités de la Banque dans le domaine social pour qu'il s'harmonise mieux avec celui de l'IDA. Ainsi, l'IDA a financé des projets dans le domaine de l'enseignement lorsqu'il apparaissait qu'ils étaient de nature à apporter une contribution importante au développement économique, et de son côté la Banque désire maintenant prendre une part modeste à cet effort.

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La règle d'une conduite prudente avait une autre conséquence dont les fondateurs de la Banque n'avaient pas mesuré toute la portée. En réalité, les opérations de la Banque se sont avérées rentables, à tel point que certains problèmes et certaines occasions qui se sont présentés étaient vraiment imprévisibles lors de la création de la Banque.

La principale source de bénéfices de la Banque est, évidemment, le revenu procuré par les taux d'intérêt, et vous me permettrez peut-être de faire une brève digression pour vous expliquer comment ils sont fixés. Etant donné que nous empruntons la majeure partie des fonds que nous prêtons, l'intérêt que nous demandons aux emprunteurs doit inclure le prix que la Banque a dû payer

elle-même pour les fonds qu'elle se procure. A cela vient s'ajouter un montant qui est destiné à couvrir nos dépenses administratives et à grossir nos réserves.

Notre taux d'intérêt est fixé de la façon suivante: si nous devions consentir un prêt aujourd'hui, l'élément de base serait le prix que l'argent nous coûterait, 4,5% par exemple pour prendre un chiffre théorique. Nous y ajouterions 1,25% pour les réserves et les frais administratifs, ce qui fait au total 5,75%. En réalité, nous ne relevons que lentement notre taux et nous sommes prompts à l'abaisser. Actuellement nous ne demandons que 5,5%, tenant compte du fait qu'aux Etats-Unis les taux d'intérêt viennent seulement d'être portés à 4,5%. J'ajouterai que même si notre situation financière nous permettait de prendre un intérêt un peu plus faible, une raison impérieuse nous obligerait à fixer des taux qui correspondent aux taux pratiqués sur le marché. Nos statuts nous interdisent en effet de consentir des prêts lorsque d'autres capitaux sont disponibles à des conditions raisonnables, et nous ne pouvons en conséquence offrir des prêts à des conditions plus avantageuses que celles du marché.

Au cours des années, le taux d'intérêt à long terme de la Banque a varié entre 4,25% et 6,25%. En fait, comme nous disposons d'un capital ne portant pas intérêt, de réserves accumulées et de fonds empruntés, cela nous laisse une marge confortable. Nos recettes nettes atteindront cette année près de 100 millions de dollars, et le revenu provenant de nos commissions procurera encore 30 millions de dollars au moins. Au total, les revenus de ces deux sources, augmentés d'un certain montant de revenus des investissements, ont porté nos réserves et nos recettes cumulées à près de 950 millions de dollars.

Nous considérons que la Banque a maintenant une position financière assez solide pour qu'elle puisse apporter son soutien à l'IDA. Le Président de la Banque a fait connaître son intention de recommander à nos Administrateurs qu'à la fin du présent exercice financier une partie des recettes courantes de la Banque soit transférée à l'IDA.

Notre intention est de transférer un montant qui aurait pu sans aucun risque faire l'objet d'une distribution au titre de dividendes. Cette politique, si elle est approuvée et poursuivie au cours des prochaines années par les Administrateurs, et nous pensons qu'elle le sera, devrait au bout d'un certain temps conférer à l'IDA des ressources nouvelles considérables. Il ne s'agit en aucune façon de se passer du soutien que l'IDA reçoit de ses gouvernements membres, mais de contribuer à ce qu'un meilleur équilibre soit institué entre la Banque et l'IDA.

Pour terminer, je voudrais, si vous le permettez, évoquer un dernier aspect assez inattendu de notre évolution, qui découle du caractère propre de la Banque, organisation internationale astreinte à servir impartialement les intérêts de tous ses membres. Au cours des années, la réputation d'impartialité et d'objectivité acquise par la Banque a conduit ses membres à faire plus d'une fois appel à elle pour jouer le rôle de médiateur ou d'arbitre à l'occasion de litiges survenus dans des domaines où elle a acquis quelque expérience.

Le cas le plus connu en France est sans doute le litige qui opposa les actionnaires de la Compagnie du Canal de Suez au Gouvernement égyptien après que celui-ci ait résilié la concession du Canal et exproprié la Compagnie. A la demande des parties intéressées, la Banque a entrepris une étude approfondie de l'affaire, sur le fond et sur les faits, et elle a fini par obtenir un règlement qui a été mené à son terme et qui a permis aux actionnaires de recevoir une indemnité de 28 millions de livres. L'intervention de la Banque ou de son Président a été demandée également à propos d'autres litiges: celui qui opposa le Gouvernement iranien et l'Anglo-Iranian Oil Company; celui amené par les incidents de juillet 1956, entre le Royaume Uni et l'Egypte; le litige entre l'Inde et le Pakistan au sujet du partage des eaux du bassin de l'Indus. Tout récemment le Président de la Banque a accepté de suggérer un règlement à la suite du refus de paiement, par la Ville de Tokyo, d'une tranche d'obligations émises en 1912 et détenues par des porteurs français. Ce règlement nous a paru équitable, car il a été accepté par les deux parties et n'a provoqué l'enthousiasme ni des porteurs d'obligations ni de la Ville de Tokyo.

Dans tous ces cas, la Banque s'est efforcée de régler des litiges qui, s'ils n'avaient pas pris fin, auraient plus ou moins entravé les mouvements internationaux de capitaux privés. L'expérience nous a conduits à penser que dans ce domaine nous pourrions apporter une contribution d'un caractère plus permanent en créant un mécanisme international, placé sous l'égide de la Banque, auquel on pourrait faire librement appel pour la conciliation et l'arbitrage de litiges nés entre des investisseurs privés d'une part, et des gouvernements d'autre part. A la demande des Gouverneurs, les Administrateurs et le personnel de la Banque ont mis à profit cette idée en établissant un projet de Convention. Ce projet a été discuté par les experts juridiques de nos pays membres lors de réunions qui ont été organisées par grandes régions en Europe,

en Afrique, en Amérique latine et en Asie.

La Convention mettrait à la disposition des investisseurs étrangers et des gouvernements des institutions auxquelles ils pourraient avoir recours, comme je l'ai dit, sur une base volontaire. La procédure de règlement choisie pourrait être la conciliation, l'arbitrage ou la conciliation suivie d'un arbitrage au cas où la tentative de conciliation échouerait. La Convention fixerait le mode de sélection des conciliateurs et des arbitres, ainsi que les détails de la procédure.

Cette procédure pourrait être ouverte par un Etat aussi bien que par un investisseur. Mais aucun Etat signataire de la Convention ne serait tenu de saisir le centre de conciliation et d'arbitrage, et aucun investisseur étranger ne pourrait assigner un Etat signataire si l'Etat et l'investisseur n'ont pas préalablement accepté le recours à cette instance. Mais une fois que les deux parties auraient accepté de la saisir d'un litige, elles seraient irrévocablement tenues de s'acquitter de leur engagement. A vrai dire, l'intérêt réel de la Convention réside dans cette assurance de voir l'accord des parties prendre pleinement effet si elles conviennent de saisir l'instance internationale. A notre avis, un sentiment de confiance pourrait naître ainsi, qui, à son tour, contribuerait à assainir le climat des investissements.

Même si cette contribution n'était que modeste, notre enthousiasme n'en serait pas diminué pour autant. Et nous espérons pouvoir soumettre bientôt le texte définitif de la Convention à l'examen de nos gouvernements membres.

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Voilà l'histoire de la Banque Mondiale. Mais quels résultats avons-nous obtenus? Il est évident que nous ne pouvons pas plus que la communauté des nations revendiquer des succès définitifs, voire spectaculaires. Dans certaines régions où, depuis près de vingt ans, notre effort a été particulièrement opiniâtre, le niveau d'existence ne s'est pour ainsi dire pas élevé.

Je crois néanmoins que les progrès qui ont été réalisés sont plus tangibles que nous-mêmes qui vivons ces problèmes ne le pensons parfois. Un résultat déjà non négligeable est cette somme appréciable de connaissances théoriques et pratiques accumulée par les nombreux organismes et individus qui se consacrent au développement économique. En Afrique, en Asie et en Amérique latine, jamais avant la Deuxième Guerre Mondiale on n'avait tant travaillé pour mettre en place des moyens de production et créer les conditions nécessaires au progrès. Il est vrai que nous avons encore un long chemin à parcourir, mais l'étape déjà franchie est considérable, et il y a tout lieu d'envisager avec optimisme la tâche qui reste à accomplir.

June 4, 1964 - Speech

LA BANQUE MONDIALE
ET LES BESOINS DES PAYS NEUFS

GEOFFREY M. WILSON

INSTITUT D'ÉTUDES
BANCAIRES ET FINANCIÈRES

LA BANQUE MONDIALE
ET LES BESOINS DES PAYS NEUFS

*Conférence prononcée par
Monsieur Geoffrey M. WILSON
Vice-Président de la Banque Mondiale*

INSTITUT D'ÉTUDES
BANCAIRES ET FINANCIÈRES
14, rue du Quatre-Septembre
PARIS

*Monsieur le Président,
Mesdames, Messieurs,*

L'Institut d'Études Bancaires et Financières, au cours des deux années qui viennent de s'écouler, a demandé aux principaux banquiers de chacun des pays prêteurs de capitaux de venir exposer comment ils concevaient l'aide financière aux pays neufs. Et c'est ainsi que nous avons successivement entendu le Docteur ABS, le Marquis de DELEITOSA, MM. David ROCKEFELLER, CAMU, SCHAEFER,...

Chacune de ces voix avait sa tonalité propre, mais aujourd'hui, pour terminer ce cycle, nous faisons appel au représentant d'une Banque, dont le domaine n'est borné par aucune frontière, et dont l'activité s'étend à tous les continents du monde. C'est le bouquet multicolore qui termine harmonieusement le feu d'artifice dont nous avons apprécié jusqu'ici les successives clartés.

Nous sommes reconnaissants à Monsieur Geoffrey M. WILSON, Premier Vice-Président de la Banque Internationale pour la Reconstruction et le Développement d'avoir bien voulu répondre à notre appel ; et nous savons que la vaste culture de ce haut fonctionnaire Britannique international lui permettra d'exposer l'aide de la B.I.R.D. aux pays neufs avec la hauteur de vues et la profondeur de réflexion qui convient au représentant d'une Institution aussi prestigieuse.

Monsieur WILSON en effet a été formé dans ce centre de rayonnement intellectuel d'Oxford, qui sait en même temps forger les caractères et apprendre les belles manières.

Avocat à Londres, la guerre changea son orientation professionnelle et le Foreign Office s'attacha ce jeune juriste qui se spécialisa aussitôt dans la connaissance des affaires soviétiques.

Puis, ce fut le Trésor Britannique qui réclama ses services, et il le chargea spécialement des opérations ayant trait à l'application du Plan Marshall.

En 1951 il devient, à Ceylan, le premier Directeur du Bureau de Coopération technique du Plan de Colombo, et cinq ans plus tard, retournant à Londres, il représente le Trésor Britannique au Comité de Direction de l'Union Européenne de Paiements.

En 1958, il est Attaché Financier près l'Ambassade de Grande-Bretagne à Washington.

Ayant ainsi fait le tour du monde, étudié les questions financières dans les divers continents, il était tout désigné pour entrer à la Banque Internationale pour la Reconstruction et le Développement, dont il devint Vice-Président, et pour nous exposer aujourd'hui le rôle de celle-ci vis-à-vis des pays neufs.

OLIVIER MOREAU-NERET

Membre de l'Institut
Président honoraire du Crédit Lyonnais

*Monsieur le Président,
Mesdames, Messieurs,*

Il m'est particulièrement agréable de me présenter aujourd'hui devant l'Institut d'Études Bancaires et Financières, et je remercie le Président Moreau-Néret de m'avoir donné ce privilège. La Banque Mondiale trouve ainsi une occasion de rendre, ici dans votre capitale, hommage à la France pour le rôle important qu'elle a joué dans ses opérations. La France est l'un des plus gros actionnaires de notre organisme. Sa prompte réponse à nos appels pour le versement de la part qu'elle a souscrite à notre capital a contribué, dès le début de nos opérations, à renforcer notre position. Nous sommes aussi redevables à la France du nombre élevé et croissant d'experts qu'elle nous a fournis et qui sont devenus nos collaborateurs permanents en qualité d'économistes, d'ingénieurs, de juristes et autres spécialistes. Si vous veniez nous rendre visite à Washington, et j'espère bien que certains d'entre vous le feront, vous aurez vite conscience, comme nous-mêmes, de cette présence française dans la Banque.

Les objectifs de la BIRD et leur élargissement

Les traits majeurs de la Banque sont certainement bien connus de nombre d'entre vous. Nous sommes un organisme international groupant 102 gouvernements de pays membres. Ces gouvernements ont souscrit un peu plus de 21.000 millions de dollars au titre de notre capital autorisé et ont versé sur ce montant environ 2.000 millions. Nous prêtons à des gouvernements ou à des emprunteurs privés pour des projets de développement économique et nous avons accordé jusqu'à présent 7.800 millions de dollars de prêts à long terme. Nous reconstituons nos fonds grâce aux remboursements directs du principal prêté, qui ont atteint 750 millions de dollars, et aussi par la vente de portions de nos prêts à des banques ou d'autres organismes d'investissement, pour un montant qui s'est élevé jusqu'à présent à 1.750 millions de dollars.

L'un des objectifs primordiaux de la Banque est de mobiliser les capitaux privés pour servir le développement. A cette fin nous augmentons notre capital disponible en émettant des emprunts sur les marchés financiers du monde. A l'heure actuelle la part de ces emprunts qui circule atteint 2.500 millions de dollars. Les obligations de la Banque Mondiale libellées en dollars sont négociées à la Bourse de Paris depuis plus de douze ans, et s'il devenait possible d'emprunter des francs à un taux satisfaisant, nous serions heureux de placer une émission d'obligations directement sur le marché français.

Mon intention n'est pas cependant de vous entretenir de ces questions aujourd'hui. Je voudrais plutôt vous parler de l'évolution de la Banque et, en particulier, d'un fait : comment le respect manifesté par elle à l'égard de saines pratiques bancaires et financières l'a conduite à se lancer dans toute une gamme d'activités qui, à proprement parler, ne relèvent plus du tout du domaine financier.

Cela n'avait pas été prévu par ceux qui ont créé la Banque. Ainsi Monsieur Dean Acheson, à l'époque Sous-Secrétaire d'État, avait expliqué au Congrès américain que la Banque allait être en réalité une organisation très conservatrice et même conventionnelle. Il avait notamment dit ceci : « Le plus souvent un pays empruntera à des banques privées ; mais si les banques privées, en raison du risque, ne peuvent consentir de prêt à des conditions acceptables pour l'emprunteur, alors celui-ci, comme le banquier, pourra avoir besoin de l'aide de la Banque Internationale. Le rôle de la Banque sera d'examiner le sérieux des projets pour lesquels des moyens financiers sont sollicités, et, si elle les apprécie tels, de garantir les prêts accordés par les banques privées ».

En fait la Banque n'a jamais procédé ainsi. Une des conclusions auxquelles elle est arrivée très vite était que si elle offrait sa garantie à plusieurs emprunts, émis à des taux différents en faveur de divers emprunteurs, il en résulterait une certaine confusion sur le marché. Aussi a-t-il paru bien préférable que la Banque établisse directement son crédit sur le marché et, au lieu d'intervenir surtout

en qualité de garant, qu'elle joue le rôle d'un prêteur de fonds, utilisant pour cela son propre capital et ses emprunts.

En fait la Banque a même pris très à cœur sa tâche d'étudier à fond les propositions qui lui étaient soumises, et c'est justement cette fonction d'investigation qui l'a amenée à élargir nombre de ses activités. Cette évolution a commencé lors de la première demande présentée à la Banque par un pays sous-développé, pour le financement au Chili d'un projet de centrale électrique.

Nous avons jugé nécessaire d'envoyer des experts au Chili à plusieurs reprises, afin d'obtenir les renseignements désirés sur le projet et ses aspects économiques, et le prêt ne fut accordé qu'au bout d'un an. Entre temps la Banque était intervenue en qualité de financier, bien sûr, mais aussi en tant qu'économiste, ingénieur, et juriste. Le projet avait été modifié et sensiblement amélioré, l'organisme emprunteur avait été renforcé, et on avait jeté les bases d'un programme d'expansion de la production d'électricité au Chili dont l'exécution s'est poursuivie avec régularité depuis lors.

Nous avons toujours constaté par la suite qu'avant d'accorder des moyens de financement, il était absolument nécessaire d'acquérir le plus tôt possible une connaissance complète des projets faisant l'objet d'une demande. Ainsi, un emprunteur éventuel d'Amérique latine était venu solliciter un prêt pour financer un projet d'équipement ferroviaire qui portait notamment sur un certain nombre de grosses locomotives d'excellente qualité. Or notre en-

quête a montré que des locomotives aussi lourdes ne pourraient être supportées par les ponts du réseau, et que de toute façon elles sortiraient vite des rails si elles prenaient les courbes des voies ferrées aux vitesses prévues. Finalement nous avons accordé le prêt, mais seulement après avoir soigneusement étudié le projet et après l'établissement d'une liste descriptive du matériel qui tienne scrupuleusement compte des conditions dans lesquelles fonctionnait le réseau du pays.

La Banque ne dispose pas elle-même du personnel suffisant pour fournir tous les conseils techniques nécessaires à la préparation des projets. Nous examinons cependant avec l'emprunteur quelles sortes de conseils lui sont indispensables, nous lui indiquons comment obtenir l'assistance technique adéquate d'ingénieurs conseils ou d'autres organismes ; et, le cas échéant, nous établissons les directives qui seront remises aux consultants. Lorsque le prêt est finalement accordé, la Banque y inclut le montant des honoraires demandés par les experts pendant la phase de préparation comme pendant la phase d'exécution du projet. Je peux vous dire que les clients de la Banque ont fait souvent appel au concours des bureaux d'études français, pour des projets aussi divers que, par exemple, les nouvelles installations portuaires en cours de construction à Ashdod en Israël, ou le projet d'irrigation de Roseires au Soudan.

A peu près à l'époque où avait lieu cette prise de conscience de la préparation insuffisante des projets, nous nous sommes aperçus également que lors de l'établissement de ces projets on ne tenait pas

suffisamment compte, en règle générale, de leur insertion dans un ensemble économique. Un cas semblable s'est présenté à nous sous une forme simple mais intéressante lorsque nous avons envoyé une mission en Turquie en 1949. Il y avait alors en Europe, vous vous en souvenez, une demande pressante de blé. Les turcs envisageaient de produire et d'exporter du blé sur une grande échelle, et ils recevaient des capitaux de l'étranger pour acheter les tracteurs dont ils avaient besoin afin d'accroître la production et de construire les routes qui faciliteraient la récolte du blé et son transport aux points d'expédition.

Mais lorsque notre mission s'est rendue en Turquie, rien n'avait été prévu, ni pour stocker le blé avant son acheminement, ni pour agrandir les installations portuaires, de façon qu'elles puissent traiter le volume prévu des exportations de blé. La Banque s'est efforcée de permettre la réalisation du programme d'ensemble en finançant des installations de stockage du blé et des aménagements portuaires.

L'Assistance technique

A partir de ce cas et d'autres cas semblables, nous sommes vite arrivés à la conclusion que les pays en développement auraient avantage à établir une sorte de programme pour servir de cadre général à leur développement, articuler entre eux les projets, tenir compte des ressources financières disponibles, prévoir les mesures administratives et politiques

ainsi que les projets concrets qui permettraient d'accélérer le développement de leur économie. Lorsque le Gouvernement de Colombie nous a demandé en 1949 de l'aider à établir un programme de ce genre, nous avons été heureux d'accéder à sa requête. Nous avons constitué un groupe de 14 experts, prélevés sur les effectifs de la Banque et dans d'autres organismes, qui ont séjourné trois mois en Colombie. Ce groupe a finalement remis un rapport détaillé qui devait fournir au Gouvernement colombien les bases nécessaires à l'institution d'un vaste programme de développement.

Le Gouvernement a mis en œuvre un tel programme. Un Office du Plan a été créé, d'autres importantes réformes de structure ont eu lieu, et des changements politiques sont intervenus. Des apports réguliers de capitaux ont peu à peu financé les projets essentiels, notamment dans les secteurs des routes, des chemins de fer et de la production d'électricité. Un programme de mécanisation agricole a été mis sur pied. L'impulsion était donnée au développement économique de la Colombie, et ce processus se poursuit à l'heure qu'il est, en dépit d'inévitables vicissitudes. Pour notre part, nous avons aidé la Colombie en lui accordant 25 prêts, se montant au total à près de 390 millions de dollars, pour financer des projets de développement.

La Banque a continué à organiser des missions de ce genre, notamment en Thaïlande et en Malaisie, en Turquie et en Espagne, au Tanganyika et en Ouganda. La vingt-troisième mission, envoyée au Maroc, vient de terminer ses travaux sur place.

Bien sûr, la qualité comme l'efficacité des missions a varié. Certaines d'entre elles, la mission en Colombie notamment, ont obtenu des résultats très satisfaisants. Deux missions au moins, celles qui ont été envoyées en Syrie et en Irak, ont échoué à cause des bouleversements politiques intervenus peu après la remise de leurs conclusions.

Parmi les nombreux rapports d'experts qui ont été rédigés sur les pays moins développés, beaucoup traînent dans la poussière. La Banque n'a pas cherché à grossir la masse de cette littérature oubliée ; elle s'est davantage efforcée d'expérimenter d'autres méthodes propres à aider les pays en développement à organiser celui-ci rationnellement. Dans certains cas, par exemple, elle a envoyé sur place des missions qui étaient chargées de formuler des recommandations et de faciliter leur mise en application ; le rapport écrit n'a été alors qu'un élément accessoire.

De 1950 à 1960, la Banque a trouvé d'autres moyens de contribuer sur place à améliorer la qualité de l'effort de développement. Ainsi, elle a détaché dans les pays sous-développés certains de ses cadres les plus expérimentés qui, pendant quelques mois et parfois même plusieurs années, ont joué le rôle de conseillers économiques auprès des gouvernements. En même temps, la Banque a répondu à de nombreuses demandes de ses pays membres qui souhaitaient recevoir des experts pour s'occuper d'autres problèmes particuliers.

Toutes ces activités ont fini par outrepasser les possibilités du personnel de la Banque. Aussi avons-nous fait l'essai, il y a deux ans, de constituer un

corps d'experts que nous avons appelé le Service Consultatif du Développement, ces experts pouvant être envoyés dans nos pays membres pour y occuper des postes élevés en matière de développement. Ce service compte actuellement 22 fonctionnaires ; certains suivent pendant quelque temps un stage de formation à la Banque, d'autres conseillent les gouvernements en Afrique, en Asie et en Amérique latine. Pour recruter les éléments de ce corps, nous avons eu la chance de pouvoir nous assurer le concours d'un certain nombre d'experts éminents qui avaient déjà servi dans l'administration française des territoires d'outre-mer, notamment en Afrique.

Il serait prématuré de porter un jugement sur la réussite de cette expérience. Un membre de ce Service a aidé le Nigéria à mettre en route un programme de développement prometteur couvrant les premières années de son indépendance. Un autre membre fait actuellement office de chef du service du plan en Lybie, et un troisième est le principal économiste de notre mission d'enquête au Maroc. Nous souhaiterions plus tard libérer un plus grand nombre de nos fonctionnaires les plus expérimentés pour les affecter à des tâches consultatives. Mais cela exige un programme de formation qui permettrait de renforcer les échelons inférieurs et de libérer ainsi les échelons supérieurs. Ce programme a été établi l'année dernière. Il amène à la Banque, pour un stage de formation intensive de dix-huit mois à deux ans, de brillants jeunes gens pourvus de certains diplômes, qui pourront ensuite occuper des postes permanents. Les trois premiers groupes ont déjà été choisis, et trois des 31 jeunes recrues viennent de France.

Quoi qu'il en soit, la seule solution durable à cette pénurie d'experts économiques doit être trouvée dans les pays en voie de développement eux-mêmes. La Banque a essayé de les aider à s'engager dans cette voie en créant un Institut de Développement Économique, qui organise des stages à l'intention des hauts fonctionnaires appelés à s'occuper des questions économiques dans les pays sous-développés. Ces fonctionnaires, pour la plupart au milieu de leur carrière, se sont vus confier dans leur pays de grandes responsabilités dans la direction des programmes nationaux de développement. Certains ont fait autrefois des études économiques, d'autres n'en ont jamais fait, mais dans tous les cas, leur expérience a besoin d'être élargie par de nouveaux horizons.

L'Institut a été conçu comme une école supérieure d'administration où ces fonctionnaires peuvent être réunis pendant des sessions de six mois pour étudier, lire et discuter entre eux des problèmes pratiques du développement, ou bien s'en entretenir avec les experts les plus qualifiés de la Banque et d'ailleurs. L'Institut a commencé à fonctionner en 1956, et près de 300 fonctionnaires y sont déjà passés. Un grand nombre d'entre eux occupent maintenant des postes de très haute responsabilité.

L'Institut a élargi le champ de ses activités, surtout au cours des dernières années. Au début il organisait des sessions en langue anglaise exclusivement, mais des sessions en français ont maintenant lieu de façon régulière. Un grand nombre des fonctionnaires francophones qui y assistent viennent d'Afrique, et leur intelligence comme leur ouverture d'esprit nous ont fort impressionnés.

L'Institut a aussi organisé la réunion et la diffusion de collections d'ouvrages sur le développement économique, groupant quelque 400 titres de livres ou études diverses. Les premières collections ont été constituées en langue anglaise, mais nous avons presque fini de réunir et de distribuer des collections semblables en langue française, et nous entreprenons maintenant le même travail en langue espagnole. De toute façon, notre objectif est de rendre facilement accessibles aux fonctionnaires des pays sous-développés ces ouvrages fondamentaux sur l'économie du développement.

Planification du développement et Préparation des projets

Les avantages d'une planification du développement sont d'ores et déjà universellement reconnus, et il n'est guère de pays en voie de développement qui soit totalement dépourvu de plan. Mais, constatation curieuse, la faveur accordée à la planification globale fait négliger la préparation des projets. Un haut fonctionnaire des services de planification du Pakistan a ainsi reconnu récemment que la faiblesse fondamentale des Plans Quinquennaux de son pays tient au fait que si « un effort a été accompli pour élaborer un cadre cohérent et complet de planification, on ne s'est pas assez attaché à intégrer dans ce cadre des projets bien conçus et bien agencés ».

La Banque retrouve donc ici encore cette question qui a toujours revêtu pour elle une importance capitale : la préparation des projets. Les plans

d'ensemble ne rempliront pas leur effet, de même que les apports de capitaux, si des méthodes appropriées, un personnel d'encadrement compétent et une main-d'œuvre suffisamment diversifiée ne sont pas mobilisés effectivement pour assurer l'exécution de projets convenablement conçus. Il s'agit là d'une impérieuse nécessité, car l'insuffisance des projets, à l'heure actuelle, exercera inévitablement un effet paralysant à un stade ultérieur du développement.

Afin de remédier au manque de préparation des projets, la Banque prend et renforce toutes les mesures propres à faciliter leur mise au point dans les pays qui ne peuvent pour des raisons techniques effectuer eux-mêmes les études nécessaires, ou qui n'ont pas les moyens financiers requis pour recourir à une aide extérieure indispensable. En Afrique, où il semble que des problèmes particuliers se posent, nous envisageons de créer deux bureaux qui auraient pour objet de poursuivre plus activement cette tâche. L'Institut de Développement Économique a été mis d'autre part à contribution ; il organise maintenant des sessions d'études spéciales, en anglais et en espagnol, sur les techniques d'appréciation des projets.

Dans toute cette évolution on trouve un certain paradoxe. Si la Banque a développé ses activités en dépassant les limites qui lui avaient été assignées à ses débuts, c'est précisément parce qu'elle doit agir avec prudence, conformément à l'esprit de ses statuts. Pour mener à bonne fin ses opérations de prêt, elle a dû consacrer une grande partie de son temps et de son énergie à l'assistance technique et

même, dans le cadre de certaines activités comme la préparation des projets, faire preuve d'un peu de philanthropie bien placée. Mais le paradoxe est plus frappant encore.

Selon les statuts, la Banque doit tenir dûment compte des perspectives de remboursement lorsqu'elle accorde un prêt. Or nous nous sommes aperçus, surtout depuis une dizaine d'années, qu'un bon nombre de nos pays membres ne pourraient vraisemblablement pas rembourser tous les prêts de développement qu'ils pourraient utiliser. Dans certains cas, ils s'étaient trop fortement endettés à court terme, bien qu'à plus longue échéance les perspectives fussent plutôt satisfaisantes. Dans d'autres cas, leur aptitude à tirer profit d'apports extérieurs de capitaux grandissait plus vite que leur capacité d'assurer le service de prêts assortis de conditions classiques. Les nouveaux États indépendants, dont l'économie commence à peine à se développer et qui ne sont pas à proprement parler endettés, posaient un problème particulier. D'une façon ou d'une autre, nombre de pays membres de la Banque étaient proches de ce que nous considérons être la limite de leur endettement. Dans beaucoup de ces pays, la Banque, prêteur prudent, n'aurait pas été en mesure de fournir tous les capitaux susceptibles d'être utilement employés.

L'Association Internationale de Développement

La solution préconisée par les pays membres de la Banque, vous le savez, a été de créer l'Association Internationale de Développement. L'IDA, comme

nous l'appelons, est une filiale de la Banque, qui dispose de fonds propres mais dont le fonctionnement est assuré par les Administrateurs et par le personnel de la Banque.

Lorsque les Administrateurs de la Banque ont élaboré les statuts de l'IDA, ils ont établi deux distinctions entre l'Association et l'organisation mère. Tout d'abord, l'Association devait offrir des conditions financières beaucoup plus favorables. Les prêts de la Banque ont une durée moyenne de 15 à 20 ans, et notre taux d'intérêt est actuellement de 5,5 %, or jusqu'ici, tous les crédits de l'IDA ont été consentis pour 50 ans et sans intérêt, encore qu'une commission infime de 0,75 % soit perçue pour couvrir les frais d'administration. En second lieu, l'IDA devait être plus avenante que la Banque ; en plus des prêts destinés à financer des grands projets d'infrastructure ou dans l'industrie, qui constituent le terrain d'élection de la Banque, l'IDA devait aussi s'intéresser à des projets de caractère social dans certains domaines comme l'enseignement et la santé publique.

L'IDA fonctionne depuis 1960. La coexistence entre l'Association et la Banque a été pacifique, mais on ne peut pas dire qu'elle ait été sans histoire. A vrai dire, la présence de l'IDA a amené la Banque à modifier quelque peu ses pratiques.

La Banque est évidemment la plus importante des deux institutions : ses ressources dépassent 7.000 millions de dollars, et elle peut les augmenter, en cas de besoin, en lançant des emprunts sur les marchés de capitaux du monde. Les ressources disponibles de l'IDA, actuelles et prévisibles, s'élèvent approxi-

mativement à 1.500 millions de dollars, et elle n'a aucun espoir de pouvoir jamais emprunter sur le marché.

Une telle situation a entraîné quelques difficultés. La Banque, dont les clients sont relativement plus fortunés, dispose de fonds suffisants pour ses opérations alors que l'IDA, qui apporte son aide aux nations plus défavorisées, dispose de ressources limitées. L'IDA se trouve ainsi dans l'obligation de rationner ses crédits. Il est bien sûr possible de tourner un peu cette difficulté en combinant dans un même pays des prêts de la Banque et des crédits IDA. Il n'en demeure pas moins que l'exiguité des ressources de l'IDA restreint l'emploi d'une telle méthode.

Autre anomalie, les clients de l'IDA pouvaient s'adresser à elle pour financer une gamme d'entreprises plus étendue que celles qui sont du ressort de la Banque. Un client de l'IDA, par exemple, était en mesure d'obtenir des moyens financiers pour développer son équipement scolaire, alors qu'un client de la Banque ne le pouvait pas.

Nous en sommes venus à cette conclusion : quelques modifications peuvent être prudemment apportées aux opérations de la Banque. Ainsi, nous avons récemment accordé un prêt pour lequel la Banque a consenti un délai de carence exceptionnel de huit ans, en faveur d'un pays emprunteur dont la situation financière doit s'améliorer à moyen et à long terme.

Dans un autre cas, nous avons consenti un prêt dont l'amortissement s'échelonne sur 35 ans, soit dix ans de plus que la durée maximum accordée

jusqu'à présent. Cela était justifié parce que le prêt était destiné à financer un projet de très longue haleine dans un pays qui utilisait déjà pleinement ses ressources financières. Nous rencontrerons certainement bien d'autres cas de ce genre dans l'avenir.

En dehors de cet allongement relatif des prêts de la Banque dans des situations bien particulières, nous cherchons aussi à élargir l'horizon des activités de la Banque dans le domaine social pour qu'il s'harmonise mieux avec celui de l'IDA. Ainsi, l'IDA a financé des projets dans le domaine de l'enseignement lorsqu'il apparaissait qu'ils étaient de nature à apporter une contribution importante au développement économique, et de son côté la Banque désire maintenant prendre une part modeste à cet effort.

Le coût des opérations et les ressources de la BIRD

La règle d'une conduite prudente avait une autre conséquence dont les fondateurs de la Banque n'avaient pas mesuré toute la portée. En réalité, les opérations de la Banque se sont avérées rentables, à tel point que certains problèmes et certaines occasions qui se sont présentés étaient vraiment imprévisibles lors de la création de la Banque.

La principale source de bénéfices de la Banque est, évidemment, le revenu procuré par les taux d'intérêt, et vous me permettrez peut-être de faire une

brève digression pour vous expliquer comment ils sont fixés. Étant donné que nous empruntons la majeure partie des fonds que nous prêtons, l'intérêt que nous demandons aux emprunteurs doit inclure le prix que la Banque a dû payer elle-même pour les fonds qu'elle se procure. À cela vient s'ajouter un montant qui est destiné à couvrir nos dépenses administratives et à grossir nos réserves.

Notre taux d'intérêt est fixé de la façon suivante : si nous devons consentir un prêt aujourd'hui, l'élément de base serait le prix que l'argent nous coûterait, 4,5 % par exemple pour prendre un chiffre théorique. Nous y ajouterions 1,25 % pour les réserves et les frais administratifs, ce qui fait au total 5,75 %. En réalité, nous ne relevons que lentement notre taux et nous sommes prompts à l'abaisser. Actuellement nous ne demandons que 5,5 %, tenant compte du fait qu'aux États-Unis les taux d'intérêt viennent seulement d'être portés à 4,5 %. J'ajouterai que même si notre situation financière nous permettait de prendre un intérêt un peu plus faible, une raison impérieuse nous obligerait à fixer des taux qui correspondent aux taux pratiqués sur le marché. Nos statuts nous interdisent en effet de consentir des prêts lorsque d'autres capitaux sont disponibles à des conditions raisonnables, et nous ne pouvons en conséquence offrir des prêts à des conditions plus avantageuses que celles du marché.

Au cours des années, le taux d'intérêt à long terme de la Banque a varié entre 4,25 % et 6,25 %. En fait, comme nous disposons d'un capital ne portant pas d'intérêt, de réserves accumulées et de fonds empruntés, cela nous laisse une marge confortable.

Nos recettes nettes atteindront cette année près de 100 millions de dollars, et le revenu provenant de nos commissions procurera encore 30 millions de dollars au moins. Au total, les revenus de ces deux sources, augmentés d'un certain montant de revenus des investissements, ont porté nos réserves et nos recettes cumulées à près de 950 millions de dollars.

Nous considérons que la Banque a maintenant une position financière assez solide pour qu'elle puisse apporter son soutien à l'IDA. Le Président de la Banque a fait connaître son intention de recommander à nos Administrateurs qu'à la fin du présent exercice financier une partie des recettes courantes de la Banque soit transférée à l'IDA.

Notre intention est de transférer un montant qui aurait pu sans aucun risque faire l'objet d'une distribution au titre de dividendes. Cette politique, si elle est approuvée et poursuivie au cours des prochaines années par les Administrateurs, et nous pensons qu'elle le sera, devrait au bout d'un certain temps conférer à l'IDA des ressources nouvelles considérables. Il ne s'agit en aucune façon de se passer du soutien que l'IDA reçoit de ses gouvernements membres, mais de contribuer à ce qu'un meilleur équilibre soit institué entre la Banque et l'IDA.

Une nouvelle mission : l'arbitrage

Pour terminer, je voudrais, si vous le permettez, évoquer un dernier aspect assez inattendu de notre évolution, qui découle du caractère propre de la Banque, organisation internationale astreinte à servir impartialement les intérêts de tous ses membres.

Au cours des années, la réputation d'impartialité et d'objectivité acquise par la Banque a conduit ses membres à faire plus d'une fois appel à elle pour jouer le rôle de médiateur ou d'arbitre à l'occasion de litiges survenus dans des domaines où elle a acquis quelque expérience.

Le cas le plus connu en France est sans doute le litige qui opposa les actionnaires de la Compagnie du Canal de Suez au Gouvernement égyptien après que celui-ci ait résilié la concession du Canal et exproprié la Compagnie. A la demande des parties intéressées, la Banque a entrepris une étude approfondie de l'affaire, sur le fond et sur les faits, et elle a fini par obtenir un règlement qui a été mené à son terme et qui a permis aux actionnaires de recevoir une indemnité de 28 millions de livres. L'intervention de la Banque ou de son Président a été demandée également à propos d'autres litiges : celui qui opposa le Gouvernement iranien et l'Anglo-Iranian Oil Company ; celui amené par les incidents de juillet 1956, entre le Royaume Uni et l'Égypte ; le litige entre l'Inde et le Pakistan au sujet du partage des eaux du bassin de l'Indus. Tout récemment le Président de la Banque a accepté de suggérer un règlement à la suite du refus de paiement, par la Ville de Tokyo, d'une tranche d'obligations émises en 1912 et détenues par des porteurs français. Ce règlement nous a paru équitable, car il a été accepté par les deux parties et n'a provoqué l'enthousiasme ni des porteurs d'obligations ni de la Ville de Tokyo.

Dans tous les cas, la Banque s'est efforcée de régler des litiges qui, s'ils n'avaient pas pris fin, auraient

plus ou moins entravé les mouvements internationaux de capitaux privés. L'expérience nous a conduit à penser que dans ce domaine nous pourrions apporter une contribution d'un caractère plus permanent en créant un mécanisme international, placé sous l'égide de la Banque, auquel on pourrait faire librement appel pour la conciliation et l'arbitrage de litiges nés entre des investisseurs privés d'une part, et des gouvernements d'autre part. A la demande des Gouverneurs, les Administrateurs et le personnel de la Banque ont mis à profit cette idée en établissant un projet de Convention. Ce projet a été discuté par les experts juridiques de nos pays membres lors de réunions qui ont été organisées par grandes régions en Europe, en Afrique, en Amérique latine et en Asie.

La Convention mettrait à la disposition des investisseurs étrangers et des gouvernements des institutions auxquelles ils pourraient avoir recours, comme je l'ai dit, sur une base volontaire. La procédure de règlement choisie pourrait être la conciliation, l'arbitrage ou la conciliation suivie d'un arbitrage au cas où la tentative de conciliation échouerait. La Convention fixerait le mode de sélection des conciliateurs et des arbitres, ainsi que les détails de la procédure.

Cette procédure pourrait être ouverte par un État aussi bien que par un investisseur. Mais aucun État signataire de la Convention ne serait tenu de saisir le centre de conciliation et d'arbitrage, et aucun investisseur étranger ne pourrait assigner un État signataire si l'État et l'investisseur n'ont pas préalablement accepté le recours à cette instance. Mais une

fois que les deux parties auraient accepté de la saisir d'un litige, elles seraient irrévocablement tenues de s'acquitter de leur engagement. A vrai dire, l'intérêt réel de la Convention réside dans cette assurance de voir l'accord des parties prendre pleinement effet si elles conviennent de saisir l'instance internationale. A notre avis, un sentiment de confiance pourrait naître ainsi, qui, à son tour, contribuerait à assainir le climat des investissements.

Même si cette contribution n'était que modeste, notre enthousiasme n'en serait pas diminué pour autant. Et nous espérons pouvoir soumettre bientôt le texte définitif de la Convention à l'examen de nos gouvernements membres.

Voilà l'histoire de la Banque Mondiale. Mais quels résultats avons-nous obtenus? Il est évident que nous ne pouvons pas plus que la communauté des nations revendiquer des succès définitifs, voire spectaculaires. Dans certaines régions, où, depuis près de vingt ans, notre effort a été particulièrement opiniâtre, le niveau d'existence ne s'est pour ainsi dire pas élevé.

Je crois néanmoins que les progrès qui ont été réalisés sont plus tangibles que nous-mêmes, qui vivons ces problèmes, ne le pensons parfois. Un résultat déjà non négligeable est cette somme appréciable de connaissances théoriques et pratiques accumulée par les nombreux organismes et individus qui se

consacrent au développement économique. En Afrique, en Asie et en Amérique latine, jamais avant la Deuxième Guerre Mondiale on n'avait tant travaillé pour mettre en place des moyens de production et créer les conditions nécessaires au progrès. Il est vrai que nous avons encore un long chemin à parcourir, mais l'étape déjà franchie est considérable, et il y a tout lieu d'envisager avec optimisme la tâche qui reste à accomplir.

ECONOMIC DEVELOPMENT

- **Projects**
- **Private Capital**
- **Financial Terms**

Text of Address before The Royal Commonwealth Society, London, December 15, 1964 by GEOFFREY M. WILSON, Vice President, World Bank and International Development Association.

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I AM GRATEFUL that you have invited the World Bank to be present at this meeting sponsored by The Royal Commonwealth Society. Our interest in your subject, to say the least, is a profound one. About a third of the population of our member countries lives in the Commonwealth, and the Bank and its affiliates have financed more than a hundred projects to raise their standard of living—part of the Snowy River power and irrigation scheme in Australia, for instance, the Niger and Volta River dams in Africa, and more than 50 projects in India and Pakistan.

In all, the institutions of the World Bank group have committed more than £1,100 million in Commonwealth financing, often in association with British investors, British business enterprises and the British Government. This financing accounts for more than a third of all lending and investment by the World Bank group.

PERHAPS I SHOULD RECALL to you what constitutes the World Bank group. The Bank itself, of course, is the largest element, with 102 member governments and authorized capital of about £7,600 million. Only a tenth of this is actually paid in, however, and the larger part of what the Bank lends is raised by the sale of its bonds to other investors.

One of the Bank's affiliates is the International Finance Corporation, with 78 member countries and paid-in capital of £35 million. Unlike the Bank, which may lend either to public or private borrowers, the Corporation works exclusively in the private sector. It has two other characteristics which set it off from the Bank. First, it is not required to have a government guarantee of its investments in private enterprises, and in fact, will not accept such guarantees.

Second, the Corporation can and does subscribe to the equity of the companies in which it invests, usually combining these subscriptions with fixed-interest loans.

The other affiliate of the Bank is the International Development Association—IDA for short. It has 94 members. Its financial resources consist chiefly of some £535 million of convertible currencies. IDA lends for very long term—50 years—and its loans are free of interest, although there is a small service charge. Its clients are the poorest countries in the Bank's own membership—mostly countries which cannot attract or afford sufficient borrowing on conventional terms.

During each of two of the last three years, the Bank and its affiliates have entered into commitments in the neighborhood of £400 million, and we now take this to be the more or less normal rate of our operations for the time being.

WHAT I WOULD LIKE to do today is to indicate a few current developments and problems in the operations of our three institutions. The first of these is our increasing preoccupation with the preparation of development projects. If this seems to be a curiously humdrum note on which to begin this discussion, let me observe that sooner or later it is on projects that the Bank, its affiliates, the developing countries themselves and anybody else operating in this field all must focus their efforts. Neither general programs nor adequate supplies of capital will accomplish anything until the right techniques, competent management, and manpower with the proper blend of skills are brought together and focused effectively on well-conceived projects. The need is urgent, for a lack of plans today will handicap economic development far into the future.

The Bank has been concerned with this matter of projects almost from the beginning of

its operations 18 years ago. We began to discover the problem with our first mission to one of our underdeveloped countries, a mission which went to Chile in 1946 to examine a proposal that we finance a power project there. We found it necessary to visit Chile several times to get information about the project and its economic setting, and the loan was not made until more than a year had passed. Meantime, the Bank had acted not merely as financier, but also as economist, engineer and lawyer: the project had been modified and considerably improved, the borrowing organization had been strengthened, and the foundation had been laid for a power expansion program in Chile which has been proceeding steadily ever since.

WITH THE PASSAGE OF TIME and the accumulation of experience, many countries today are notably better able to prepare projects than before. But many—the new countries of Africa, for instance—are not, and others, as they enter new phases of development, need further help. For our part, we consider adequate project preparation to be perhaps the most urgent single need in the whole field of economic development.

To help meet it, we are taking and intensifying measures to promote the preparation of projects. The Bank itself, of course, does not have enough staff to give all the technical assistance necessary; and the assistance wanted goes far beyond the merely physical aspects of a project, into the weighing of possible alternative schemes, a study of economic factors, the drawing up of financial and market forecasts, and the consideration of new administrative organizations or other institutions that may be required. To an increasing extent, however, we do discuss with the borrower what kinds of advice are needed; we advise on how to obtain the proper technical services from consulting engineers, economists or other appropriate sources; and if necessary, we draw up terms of reference for the consultants.

When the loan is finally made, the Bank includes in it the amount necessary to reimburse the expert advice involved both during the planning and the execution of the projects. For countries not well able to bear the cost of pre-investment surveys, we may actually pay the foreign-exchange cost of consultant services. In Nigeria, for instance, we are helping to finance a series of highway-planning surveys; in East Pakistan we are supporting work on a plan for developing the waterways; and in India, a team organized by the Bank recently concluded a comprehensive transport study centered especially on the distribution of coal.

We intend to press these efforts still further. In Africa, where special difficulties exist, we are going to open two field offices, one in West Africa and the other in East Africa, to help member countries to identify and begin the study of development projects. More generally, we intend to make increasing use of consulting firms, and especially of firms that not only are able to prepare physical plans but to do competent economic and financial analyses as well.

IN ADDITION, we recently made arrangements with the United Nations Food and Agriculture Organization for them to formulate projects in member countries that may be eligible for financing by the Bank, or the International Development Association, or from some other source. We have a similar agreement with Unesco whereby missions from that agency will visit selected countries to develop educational projects, for financing especially by IDA.

These arrangements with FAO and Unesco reflect the determination of the Bank and International Development Association to increase the volume of our financing in the fields of agriculture and education. I am sure that the importance of this will be obvious to all of you. Although the

underdeveloped countries are primarily agricultural, many of them are not able to feed themselves. Food imports claim important amounts of foreign exchange that might otherwise be spent on development, and the feeble state of the rural economy prevents the growth of an internal market that would in turn stimulate the growth of industry. Education, of course, is fundamental to economic development—both general education and more specialized education that will train technicians and administrators.

THE SECOND DEVELOPMENT within the World Bank group on which I should like to comment concerns one of our most important purposes—that of stimulating the flow of private capital into economic development. The Bank itself is an important channel for this flow. By its own borrowings and through its sales from portfolio, the Bank has raised from private investors more than £1,500 million for use in its own lending.

The International Finance Corporation—IFC—advances this objective still further. It works directly with private entrepreneurs and investors to shape new enterprises; it invests its own capital in these enterprises and enlists the support of other international investors for them; it underwrites the issue of share and loan stock; and it helps to obtain managerial assistance and technical advice for new undertakings.

During the past year, the cumulative total of commitments made by the Corporation exceeded its paid-in capital. More than one-third of these commitments had been revolved, partially through repayments but primarily through sales to private investors. IFC in the financial year just past made more investments than ever before, and the pace of its operations is now increasing.

The Governors of the Bank and Corporation, therefore, have submitted for ratification by

governments certain amendments to the charters of the two institutions. The purpose of these amendments is to make it possible for the Bank to lend the Corporation up to four times IFC's subscribed capital—that is up to some £140 million. This action will enable IFC to sustain a significantly larger volume of operations, and to make much larger commitments in individual transactions than its present resources permit.

The amount of investment which the Bank and IFC can mobilize, however, is dwarfed by the contribution which all international private investors might make. We believe that the flow of private capital to the less developed countries would increase greatly if the private investor could be persuaded that his investment would not be threatened by expropriation without fair compensation, or by other arbitrary action by the host government.

OVER THE YEARS, we have been called on more than once to mediate or arbitrate disputes whose continuation would have impeded the international flow of private capital. Our experience in these instances has led us to believe that we might make some more permanent contribution to investor confidence, by creating international machinery under the umbrella of the Bank for the conciliation and arbitration of disputes arising between private investors on the one hand and governments on the other. The staff of the Bank has prepared the draft of a Convention embodying this idea, and the draft has been discussed by legal experts at regional meetings which have been held in Europe, Africa, Latin America and Asia. A fifth international meeting, open to experts from all our member countries, has just now finished considering a revised draft in Washington.

The Convention will make available facilities to which foreign investors and governments could have access on a voluntary basis. The method of

settlement selected might be conciliation, arbitration, or conciliation followed by arbitration in case the conciliation effort should fail. The Convention would set up a mechanism for the selection of conciliators and arbitrators and for the conduct of the proceedings.

The initiative for such proceedings might come from a government as well as an investor. But no government that had signed the Convention would be compelled to resort to the facilities of the conciliation and arbitration center, and no foreign investor could initiate proceedings against a signatory government unless that government and the investor had previously agreed to the proceedings. However, once they had so agreed, both parties would be irrevocably bound to carry out their undertaking. The true significance of the Convention, in fact, lies in the insurance it provides that once the parties have agreed to resort to the international forum, their agreement will be given full effect. In our opinion, this will create an element of confidence which will in turn contribute to a healthier investment climate. The fact that this may be only a modest contribution does not lessen our enthusiasm for it, and we hope that early next year we can present a final text to our member governments for their consideration.

THE FINAL DEVELOPMENT in the World Bank group that I want to mention arises from another impediment to the flow of international capital—the fact that some of the less developed countries are not able to contract any sizable new burden of debt on conventional terms. Their need for capital, and their ability to deploy it effectively, limited though it may be, is still greater than their ability to repay borrowings at market rates of interest. During the latter part of the 1950s, to mention an extreme period, the debt service burden of a group of some 30 underdeveloped countries doubled, while their foreign-exchange earnings rose by only 15 per cent.

If the progress of the underdeveloped world is to be sustained and accelerated, then more and more capital must go into the less developed areas on special terms such as those offered by the Bank's affiliate, the International Development Association. This whole matter was extensively discussed last spring in Geneva at the United Nations Conference on Trade and Development. In those discussions, the World Bank's representatives participated actively, and we have agreed to continue that participation by carrying out a number of studies, all revolving around three basic issues: How best to achieve a major increase in the flow of public—and private—funds to the developing countries; how to assure that a greater proportion of those funds is available on terms which do not unduly burden the recipient country or debt structure of the world; and finally, how most effectively to apply those funds in a way that will permit development to go forward smoothly despite fluctuations in export earnings.

IT IS CLEAR ENOUGH that the terms of bilateral aid must be improved, and the United Kingdom has exercised helpful leadership in this direction. In the field of multilateral assistance, it is also clear that the International Development Association—IDA—should be ready to play a greater role. But IDA can play that role only if its resources are augmented. The Bank itself has stepped forward to help in this respect. At the Annual Meeting of the Board of Governors, held in Tokyo last September, it was agreed that the Bank should transfer as a grant to IDA the equivalent of some £17½ million out of last year's earnings—an amount that in the case of a private corporation might prudently have been declared as a dividend. If this policy continues, as I believe it will, and the Bank makes an annual transfer to IDA out of its own growing profits, the Bank will become one of the most important contributors to IDA's resources.

In the World Bank group, we believe it is a crucial matter to increase the flow of assistance on terms favorable to the developing countries. Like the course of true love, the course of economic development never runs smooth, but despite many vicissitudes, the accomplishments of many of the underdeveloped countries since the war have been considerable. Much of the underpinning of economic growth is in place, including a greatly strengthened and expanded infrastructure of physical facilities in the fields of transport and electric power, more effective government administrations more concerned with development, and a better understanding that economic progress depends primarily on unceasing internal effort. We believe that the time to press these advantages is now, and that it would be tragic to waste the momentum already achieved.

EDUCATION and the WORLD BANK

*Text of a talk by GEOFFREY M.
WILSON, Vice President, World
Bank and International Develop-
ment Association, to The Canadian
National Commission for Unesco,
Montreal, March 11, 1965*

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IT IS A GREAT PLEASURE to visit Montreal, and I welcome the invitation to participate in this Fourth National Conference of the Canadian National Commission for Unesco. It gives me an opportunity to say something about the World Bank's technical assistance activities, to explain what we conceive to be our proper role in educational financing, and to describe our new relationship with Unesco.

At the outset, I want to acknowledge Canada's valuable contributions in support of the World Bank. This country has always been a source of strength for the Bank, in many ways. Just last month we floated our third bond issue in the Canadian market, for \$25 million, which raised to \$80 million the amount we have borrowed here. Together with Canada's subscriptions and contributions, that makes about \$194 million of your money that has been made available for lending by the Bank and its affiliates, the International Development Association (IDA) and the International Finance Corporation (IFC). One of Canada's most vital contributions to the Bank, however, has been the talent and energy of the many Canadians who have served on our staff. We now have 80 Canadian staff members, including two of our senior officers. This contribution cannot be measured but I can assure you that it is both great and greatly valued, for of all the resources required for effective economic

and social development, the scarcest in relation to need is neither money nor raw materials, but the right kind of manpower. Indeed, this will be the burden of my remarks.

AS YOU KNOW, our purpose is to mobilize money and to lend it for development projects—chiefly large infrastructure projects that are basic to economic growth. For such purposes the Bank and its affiliates have provided nearly \$9.5 billion to 85 countries, and our financing operations are running at the rate of more than \$1 billion a year.

The need for technical assistance as a part of the Bank's operations became evident in connection with the first request for a loan ever received from an underdeveloped country, to finance a power project in Chile. In that case, the Bank soon learned that it would actually have to help prepare the project and to act as economist, engineer and lawyer as well as financier. Since that first experience, our technical assistance activities have expanded both in size and complexity. Today, we are spending more than \$5 million each year, and the volume is still growing.

These services take many forms. We have conducted 25 comprehensive surveys of entire economies, to serve as general guides to member governments in the formulation of long-range development plans. We conduct special studies of whole economic sec-

tors, such as power or transportation, to provide the basic information needed to map out rational programs of future investment. For the identification and preparation of specific projects to the point where they can be submitted to the Bank for financing, we often advise the government to employ outside consultants, and when necessary we help to pay for their services.

Assistance of this kind is most urgently needed, of course, by those countries where skilled people are most scarce. In Africa, therefore, we are taking an even more intensive and direct approach to enlarge and speed the flow of projects which the Bank or IDA might finance. We are about to open a special office in Abidjan, staffed initially with experts in agriculture and transportation whose function will be to help the West African governments find and prepare projects in those two fields. A similar office will be established soon in East Africa.

Meanwhile, we do all we can to assist our member countries in preparing their own people to deal with the complex field of economic development. Most importantly, we maintain in Washington a senior staff college, known as the Economic Development Institute, which gives intensive training both in the general problems of development and in the more specialized techniques of project evaluation. More than 400 officials of central banks, ministries of economics and finance, planning organizations and other

agencies have participated in these courses, and many of the early graduates of the Institute are now heading ministries of finance and serving in other positions of great responsibility.

SINCE THE BANK turned its primary attention to the problems of less developed countries, beginning in 1947 and 1948, it has concentrated both its technical assistance and its financial resources upon the economic aspects of development. However, along with others struggling with these problems, we have learned through the years that economic growth and social progress are both inseparable and interrelated, that such things as hope and enthusiasm, skill and knowledge, curiosity, vision and wisdom are no less important than steel, cement, sand and machinery. The far-reaching implications of this have been borne in upon us in the Bank—economists, lawyers, engineers and other technicians, as well as bankers—by the most practical kind of experience in the countries where we operate. The understanding we have gained from this experience has impelled us to regard education as an inevitable object of our concern, to conclude that economic growth must be rooted in educational development.

Many of us in the World Bank agree that we were slow to recognize the relationship between education and economic development, and also our responsibility in the edu-

cational field. But in partial mitigation of our delinquency, I must add that we would have found little support 15, 10 or even five years ago for the proposition that investment in education should be subject to the discipline of priorities, dictated by the volume of funds and the numbers of qualified teachers available, on the one hand, and by the manpower needs of economic development, on the other.

On the contrary there has been, and to some extent there still is, a significant school of thought which lays primary stress upon the basic human right of everyone to the benefits of education, without sufficient regard to the means required to make such benefits available, and even less to competing calls upon limited resources. The appealing, and fully justified, idea that every child deserves some sort of education as a matter of right became a powerful political force in many of the less developed countries, impelling governments to offer universal primary education forthwith regardless of the cost in resources or in social consequences. One result is what we see today in country after country: desperately scarce resources poured into poorly planned, inadequately administered and pitifully staffed primary schools which too often provide not education for all but frustration for many. In one large South American country, more than half of the primary school teachers are reported to have had no teacher training

at all; in Africa less than half can claim any training beyond a very rudimentary primary education; and in some countries people are still being recruited to teach in primary schools who themselves have had less than six years of elementary instruction. As one might expect, the incidence of "drop-outs" and "repeaters" is exceedingly high, and the "drop-outs" often revert to illiteracy within a very short time.

Universal literacy and primary education for this generation is a noble goal, but so is a decent standard of living and expanded educational hope for the next generation. And the stark fact is that helter-skelter efforts to provide education for everyone immediately often threaten to foreclose the possibility of achieving any of these objectives. In many countries engaged in such headlong efforts to provide primary education for all, the shortage of adequate teachers is accompanied by other serious limitations: in the supply and quality of textbooks and other teaching materials; in the planning of curricula to meet the actual needs of the people; in quality and continuity of administration; and in the coordination of educational effort among government ministries, industry and the private school systems which in some countries have for many years borne the major educational burden.

AT THE OTHER END of the educational spectrum, there has sometimes been a ten-

dency to treat higher education as a prestige symbol of independence and modernity instead of as a medium for training essential high-level manpower. As a result a lot of scarce money has been lavished on elaborate and ill-conceived university projects. Unquestionably, many more people are needed with higher training in education, engineering, administration and the sciences. But before building universities based upon inappropriate models from the industrialized countries, the developing countries would be well advised to study carefully their own needs and capabilities—on the one hand to consider the availability of teaching staff, secondary school graduates and funds for recurring costs and, on the other, the kinds of higher skills required to achieve their national development objectives.

There is no way to calculate the amount of money that has been lost in misdirected educational effort, but in some countries it has been estimated that as much as 50% of everything spent on education has been wasted. Whatever the percentage, the amount involved is staggering, for education absorbs a major share of national expenditure in most countries.

One of the difficulties is that secondary education in many countries has been allotted a position far too low on the priority totem pole. Yet the secondary schools must provide teachers for the primary schools, candidates for higher education that will fit

them for top-level jobs in government, industry and the professions, and recruits for middle-level positions in administration, industry, commerce and agriculture. The experts tell us that the supply of mid-level manpower ought to increase from six to nine times as fast as the general labor force. Yet in Africa it is estimated that there are only from one-third to one-fifth as many secondary school graduates as there are jobs requiring that level of training. Failure to produce enough people of this kind is at the moment one of the most critical weaknesses in the process of economic development.

WITH THESE and other facts before us, the World Bank began several years ago to explore whether and how we might be able to help our less developed members to train the sort of people they needed. The result is our present program for educational development. Fortunately our own deepening concern with this problem coincided roughly with a significant shift in emphasis among the professionals. Educators and economists have come much closer together in their approach to these problems. Economists now take a less limited view of educational investment as a factor in economic development; educators, while holding to the valid thesis that universal access to education must be the objective, have come more and more to view educational development as an element in the total economic and social

growth of a country; and both are now committed to a search for some of the badly needed answers to questions concerning the relationship between education and output at the various levels of development. As many of you know, Unesco itself has been reassessing its role, thinking more in terms of the conduct of operational programs and of the intimate relationship between education and economic development, for without economic development the resources simply will not exist to support a system of universal education. An example of Unesco's thinking was a recent comment by Mr. René Maheu, the Director-General, concerning plans for the new experimental literacy campaign in eight countries, to be conducted over the course of the next few years. "One point which is now much clearer," he said, "is the necessity of integrating literacy with the overall plans for economic and social development in each country. Literacy must be part of educational planning and this, in turn, must be included in general planning for development." I am sure that neither we nor Unesco propose to lose sight of the intangible though powerful force that education for its own sake can be, but I think we are pretty well agreed that the horse belongs in front of the cart.

THE WORLD BANK GROUP'S active program of educational financing began in September 1962, when IDA granted a credit

of \$5 million to help construct six secondary and technical schools in Tunisia—a project which occupies a place of key importance in a program for the expansion and improvement of secondary education. Since then IDA has extended five additional credits for projects in education and training in Afghanistan, Nigeria, Pakistan and Tanzania; and even the Bank has dipped a cautious toe in this pool making a loan of \$6 million to help finance an expansion of the facilities of the College of Agriculture of the University of the Philippines.

Throughout this period of study, preparation and program development, we have had the close and continuing cooperation of Unesco, including the participation of Unesco experts in our examination of proposed projects. In 1963, Unesco and the Bank joined in the co-sponsorship of an International Educational Planning Institute, which was established in Paris. And finally, last June a formal agreement was concluded between Mr. Maheu for Unesco and Mr. George D. Woods, President of the Bank and IDA, which has been ratified by our respective governing bodies. It provides for a continuing, cooperative program to identify, prepare and supervise educational projects to be financed by the Bank or IDA, and to provide technical assistance for implementing such projects. You may be interested to know that a similar agreement has been worked out with the Food and Agriculture

Organization designed to enable us to assist the expansion of agricultural production on a much broader front.

Under the Unesco agreement, a unit of full-time specialists is being established in Paris to implement the understanding on behalf of Unesco in close collaboration with the Bank's Education Division, which we organized two years ago. Already experts of the two institutions have studied many proposed projects in many countries. Some are already in the stage of final preparation, and we can expect that the flow will increase. But beyond the mechanics of the cooperative agreement as they apply to projects, our relations with Unesco are deepening and broadening into a partnership of interest and purpose, and we propose to apply to this most intractable of development problems the combined experience and expertise of both organizations.

WE HAVE NO illusions about the possibility of quick or startling results. It takes many years to train competent teachers, even after teachers of the teachers have been trained, after proper schools in which to train them have been planned, financed, constructed, equipped and staffed. It takes time and much persuasion to bring about significant changes in planning, administration and the allocation of resources. But together, and with the support of such organizations as yours,

we believe that we can exert some influence in the right direction.

In relation to the total need, which is colossal, our financial contribution to educational development will always be very modest. The overriding responsibility must remain with the people and their governments. But we hope and believe that we can help to point the way by financing and providing technical assistance for carefully selected pilot projects that will fill strategic gaps in the educational systems of member countries. We also hope that we can encourage and assist our members in the formulation of sound policies. In addition, we can exercise some influence in the realm of administrative discipline by applying in our educational financing the same high standards of project preparation, appraisal and inspection that we insist upon in other fields.

Whether our approach is right and whether it will prove to be effective, only time will tell. But we hope that our efforts will help to point the way to more productive, less wasteful use of resources for educational purposes. If, through the cooperative effort of all concerned, this most massive obstacle to economic and social development can be overcome, many a striving people will find the ready hands and minds required to lift, to lead, to guide them to the high ground they seek.

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**AUFGABEN UND ERFAHRUNGEN
DER WELTBANKGRUPPE**

Vortrag von Mr. Geoffrey M. Wilson, Vizepräsident
der Weltbank, auf dem Internationalen Kongreß
der Friedrich-Ebert-Stiftung in Bergneustadt am
7. Dezember 1965.



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Herr Vorsitzender,

Ich bin Ihnen sehr dankbar, daß Sie die Weltbank zur Teilnahme an diesem Internationalen Kongreß der Friedrich-Ebert-Stiftung eingeladen haben. Obwohl viele von uns geschäftlich miteinander zu tun haben, bietet sich uns doch nicht oft eine solche Gelegenheit, in nennenswerter Zahl zu einem Gedankenaustausch über Fragen von gemeinsamem Interesse auf dem Gebiet der Finanzierung und Entwicklung zusammenzukommen. Wir sind der Stiftung und ihren leitenden Herren zu Dank verpflichtet, daß sie uns diese Möglichkeit gibt.

Es tut mir leid, daß ich die Vorträge gestern Vormittag versäumen mußte und ich habe – zumindest in diesem Augenblick – nicht die Absicht, auf die Fragen einzugehen, die gestern Nachmittag an mich gerichtet worden sind. Ich möchte jedoch betonen, daß die Weltbank mit der Europäischen Investitionsbank den Wunsch gemein hat, ein stetiges wirtschaftliches Wachstum in den mit der Wirtschaftsgemeinschaft assoziierten Entwicklungsländern zu unterstützen und mit Freuden einer Zusammenarbeit mit der Europäischen Investitionsbank sowohl dort wie in anderen Entwicklungsländern der Welt entgegensieht.

Die Weltbank und ihre Schwestergesellschaft, die Internationale Entwicklungsorganisation (IDA), haben den mit der Europäischen Wirtschaftsgemeinschaft assoziierten afrikanischen Ländern 16 Darlehen und Kredite im Gesamtbetrag von 340 Millionen \$ gewährt. Gegenwärtig werden bei uns Finanzierungsanträge für 20 weitere Projekte in diesen Ländern bearbeitet. Darüber hinaus haben wir fünf Studien im Rahmen der technischen Hilfe finanziert, drei weitere stehen in Aussicht. Als Teil unseres weltweiten Engagements bei der Entwicklungsfinanzierung wollen wir weiter unsere Rolle

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als eine von mehreren Finanzierungsquellen spielen, die zur Stärkung dieser in der Entwicklung stehenden Volkswirtschaften beitragen.

Die Tätigkeit der Weltbank auf dem Gebiet der Entwicklungshilfe ist, wie ich schon sagte, weltweit und vielleicht ist es nützlich, wenn ich hier etwas über die Natur und den Umfang ihrer Arbeit sage. Die Bank selbst, die größte Einheit der Gruppe, zählt jetzt 103 Mitgliedsländer und verfügt über ein gezeichnetes Kapital von circa 22 Milliarden \$, davon wurde ein Zehntel, d. h. 2 Milliarden \$, effektiv eingezahlt. Seit sie im Jahre 1946 ihre Tätigkeit aufnahm, hat die Bank in 77 Ländern Darlehen im Gesamtbetrag von 9 Milliarden \$ vergeben, und im letzten Geschäftsjahr haben wir zum ersten Mal die 1 Milliarden \$-Grenze erreicht. Unsere Darlehensgewährung konzentrierte sich auf Projekte, die eine Grundlage für das Wirtschaftswachstum schaffen, also besonders auf die Entwicklung von Energieanlagen, Straßen, Eisenbahnen und Häfen, auf welche zwei Drittel unserer Darlehen entfielen. Die restlichen Bankdarlehen wurden für folgende Sektoren gewährt: Landwirtschaft unter besonderer Berücksichtigung von Bewässerung, Industrie mit dem Schwerpunkt auf Stahlproduktion und Entwicklungsbanken, außerdem für Fernmeldewesen, Erziehung, Wasserversorgung und allgemeine Entwicklungszwecke.

Um Darlehen gewähren zu können, müssen wir selbstverständlich Geld borgen, und im letzten Geschäftsjahr haben wir uns erneut an die privaten Kapitalmärkte hier in Deutschland, in Kanada, der Schweiz und den Vereinigten Staaten gewandt mit öffentlichen Anleihen im Gegenwert von 300 Millionen \$, wodurch sich unsere ausstehende fundierte Schuld auf nahezu $2\frac{3}{4}$ Milliarden \$ erhöht hat. Die Schwestergesellschaft der Bank, die Internationale Entwicklungsorganisation, leiht zu Bedingungen Geld aus, die es ihr verbieten, sich wegen neuer Mittel an die Kapitalmärkte zu wenden und ist hinsichtlich ihrer verwendbaren Hilfsmittel auf ihre Mitglieder angewiesen. Die IDA, wie ich sie von

nun an nennen werde, wurde geschaffen, um der Situation jener Entwicklungsländer gerecht zu werden, deren Bedarf an ausländischem Kapital und Fähigkeit zu seiner zweckmäßigen Verwendung ihre Möglichkeiten zur Bedienung herkömmlicher Anleihen übersteigt. – Wir sind uns klar über das Schuldenproblem. Infolgedessen sind die Bedingungen der IDA-Kredite, die zinslos und mit einer Laufzeit von 50 Jahren gewährt werden, darauf abgestellt, die Zahlungsbilanz des Kreditnehmerlandes so wenig wie nur irgend möglich zu belasten. In den fünf Jahren ihres Bestehens hat die IDA Kredite im Gesamtbetrag von etwas weniger als 1,2 Milliarden \$ vergeben. Bis zum nächsten Sommer wird sie alle ihr bisher zur Verfügung gestellten Mittel zugesagt haben. Bis zu diesem Zeitpunkt werden ihre Mitgliedsregierungen, eine der wichtigsten ist die deutsche Bundesregierung, entschieden haben müssen, in welchem Umfang der Bedarf der Entwicklungsländer an Finanzierungen, wie die IDA sie gewährt, von dieser befriedigt werden soll, und müssen ihre Mittel dementsprechend auffüllen.

Die Internationale Finanz-Corporation (IFC), die sich auf die Entwicklung privater Unternehmen spezialisiert, verfügt gegenwärtig über 79 Mitgliedsländer und ein Aktienkapital von 99 Millionen \$; bis jetzt hat sie in 32 Ländern Investitionszusagen im Gesamtbetrag von mehr als 138 Millionen \$ gegeben. Diese Tatsache erhellt, in welchem Maße es der Finanz-Corporation gelungen ist, ihre Investitionen revolving einzusetzen und dadurch ihre für neue Zusagen verfügbaren Mittel zu erhöhen.

Über die Arbeit dieser drei Institute der Weltbankgruppe werde ich später noch nähere Ausführungen machen, zuerst möchte ich jedoch dankbar anerkennen, daß unser Gastgeber Deutschland diesen drei Organisationen beträchtliche Stärke verliehen hat. Deutschland wurde vor 13 Jahren Mitglied der Weltbank und gehörte später zu den Gründungsmitgliedern der IFC und IDA. Durch seine Kapitalzeichnungen ist insgesamt ungefähr eine Milliarde DM in frei konvertierbaren, zins-

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losen Mitteln zur Verfügung gestellt worden, darin enthalten sind weitere 290 Millionen DM, die aufgrund einer früheren Zusage an die IDA hinzukommen werden. Aus Deutschland stammen auch Weltbankmittel in Höhe von 3.200 Millionen DM (abzüglich Rückzahlungen), welche von verschiedenen deutschen Quellen, hauptsächlich jedoch von der Deutschen Bundesbank, ausgeliehen wurden. In diesen Anleihen eingeschlossen sind öffentliche Emissionen von auf DM lautenden Schuldverschreibungen auf dem deutschen Markt, die Privatunterbringung von Schuldscheinen und Schuldverschreibungen in deutscher und US-amerikanischer Währung sowie öffentlich in den USA untergebrachte US\$-Bonds. Natürlich waren diese Anleihen für beide Seiten von Vorteil; die Bank zahlte 640 Millionen DM Zinsen an die Inhaber dieser Schuldscheine und Schuldverschreibungen. Deutsche Investoren haben auch im Gegenwert von 68 Millionen DM Tranchen von Bankdarlehen an Mitgliedsländer gekauft und dadurch diese zusätzliche Summe für eine Weiterverleihung durch die Weltbank zur Verfügung gestellt.

Deutschland zieht aber auch andere Vorteile aus diesen Mitteln. Durch das von der Bank angewendete Verfahren internationaler Ausschreibungen hat die deutsche Industrie 2.192 Millionen DM an Zahlungen für Waren verdient, die den Darlehensnehmern der Bank geliefert wurden – eine Summe, die mehr als fünfmal so groß ist wie der von Deutschland bei der Bank eingezahlte Zeichnungsbetrag. In den letzten zehn Jahren beliefen sich die von der Bank finanzierten Abschlüsse deutscher Firmen im Jahresdurchschnitt auf 192 Millionen DM, Aufträge im Wert von weiteren 134 Millionen DM wurden von Kreditempfängern der IDA erzielt. Diese Wettbewerbserfolge der deutschen Industrie bringen der Bundesrepublik einen angemessenen Ertrag ein für einen Beitrag zur Entwicklungsfinanzierung über die Weltbankgruppe.

Herr Vorsitzender, das Maß des Vertrauens – sowohl derer, die vornehmlich Darlehensgeber wie

auch derjenigen, die hauptsächlich Darlehensnehmer sind – in die Weltbank und ihre Schwes-tergesellschaften hängt ab von der Wirksamkeit ihrer eigentlichen Leistung. Nach unserer Ansicht bedeutet ‚wirksame Leistung‘ die Finanzierung von Projekten, welche sich konstruktiv auf die Wirtschaft des Darlehensnehmerlandes auswirken. Daraus ergibt sich der von mir vorher erwähnte besondere Schwerpunkt bei der Entwicklung der Energiewirtschaft und des Verkehrs – also von Einrichtungen, die, wenn sie gut betrieben werden, zur größeren Erzeugung und besser organisierten Verteilung nützlicher Waren, dem Wachstum der Ersparnisse und einer Stärkung der Welthandelsposition führen, die ihrerseits zur Anhebung des Lebensstandards im Darlehensnehmerland beitragen.

Die Bank hat jedoch gefunden, daß eine wirksame Finanzierung häufig durch das Fehlen von Einrichtungen verhindert wird, die zur Verwaltung und zum Betrieb derjenigen Anlagen geeignet wären, die das Darlehen finanzieren soll. Kann die Finanzierung eines neuen Hafens als wirksame Investition angesehen werden, wenn es keine Hafenbehörde gibt, die ihn verwaltet? Wie können verbesserte Agrarmethoden wirksam über landwirtschaftliche Kreditsysteme finanziert werden, wenn dem Landvolk keine richtigen Kreditinstitute zur Verfügung stehen? Es gibt zahllose Beispiele hierfür, immer wieder sind wir auf dieses Problem gestoßen.

Wir haben versucht, zur Lösung dieses Problems beizutragen, indem wir bei jeder Gelegenheit unseren Mitgliedern bei dem Prozeß der Gründung derartiger Körperschaften behilflich sind. In Lateinamerika sind wir beispielsweise oft gebeten worden, dorthin Energiedarlehen zu geben, wo es keine geeignete Elektrizitätsbehörde oder -gesellschaft gab. In diesen Fällen wurde das Energiegeschäft, was keineswegs ungewöhnlich ist, von politischen Gremien betrieben; es gab keine Planung für den künftigen Bedarf, die Einkünfte aus dem Stromverkauf wurden einfach dem allgemeinen städtischen

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Einkommen zugeführt, und niemand wußte, ob das Unternehmen sich selbst trug oder nicht. In solchen Fällen hat die Bank auf der Bildung einer ordentlichen Elektrizitätsgesellschaft bestanden, die mit kaufmännischem und technischem Personal mit entsprechenden Qualifikationen besetzt und nicht nur mit den Routinearbeiten der Energieversorgung, sondern auch mit der Aufstellung eines Investitionsprogramms für eine spätere Erweiterung betraut wurde.

Zu den Kunden der Bank in Lateinamerika gehören 32 Organisationen, die Elektrizität liefern, Häfen oder Eisenbahnnetze ausbauen und betreiben oder bestimmte andere wirtschaftliche Funktionen erfüllen. Von diesen 32 Körperschaften wurden 28 mit Hilfe der Bank errichtet oder in Gang gebracht und haben zusammen über eine Milliarde \$ in Bankdarlehen erhalten, das ist rund die Hälfte all unserer Darlehen in Lateinamerika.

Dieser Aspekt unserer Arbeit in der Bank ist bei weiten Kreisen nicht in ausreichendem Maße bekannt und wird auch von zu wenigen Menschen verstanden. Und doch trägt er ganz entscheidend dazu bei, die Wirksamkeit vieler unserer Transaktionen zu gewährleisten. Lassen Sie uns zum Beispiel den Fall des äthiopischen Fernmeldenetzes näher betrachten, das im zweiten Weltkrieg lahmgelegt worden war. 1950 konnte man keine 100 Gemeinden telefonisch erreichen und es gab weniger als 2000 Fernsprechanlüsse für eine Bevölkerung, deren Zahl auf 12-16 Millionen geschätzt wurde. Dieses Fehlen eines guten Fernmeldenetzes machte Äthiopiens Entwicklungsbemühungen zunichte. Während die Regierung große Anstrengungen unternahm, um ihren Außenhandel auszudehnen, warf der Mangel an guten Fernmeldeanlagen ernste Probleme auf. Die Produzenten konnten sich nicht die erforderlichen Informationen über die Bedingungen auf den Absatzmärkten beschaffen; für Speditoren und Händler war es schwierig, die auf den Landstraßen beförderten Waren im Auge zu behalten; die Regierung stieß auf Hindernisse bei

ihren Bemühungen, sich mit den entlegenen Knotenpunkten des Landes in Verbindung zu setzen. Im Jahre 1950 entschloß sich die äthiopische Regierung, die Weltbank um Hilfe zu ersuchen.

Äthiopien war für uns kein Fremder. Es verhandelte bereits mit uns wegen eines 5 Millionen \$-Darlehens für die Wiederinstandsetzung und den Unterhalt seines Straßennetzes, ein Projekt, das zur Bildung der Kaiserlichen Straßenbehörde führte, und wegen eines weiteren Darlehens von 2 Millionen \$, um Devisen für Projekte verfügbar zu machen, die von einer neuen Entwicklungsbank finanziert werden sollten. Die Weltbank erkannte, welche Vorteile ein leistungsfähiges Fernmeldenetz der äthiopischen Wirtschaft bringen würde, doch drängte sich auf Grund früherer Ereignisse der Eindruck auf, daß eine Fernmeldebehörde gebraucht würde, die ein modernes Netz errichten und verwalten sollte. Wir teilten daher der Regierung mit, daß wir die Devisenkosten für die Modernisierung und Erweiterung des Netzes finanzieren würden unter der Voraussetzung, daß die Regierung eine passende Behörde schafft und nach Rücksprache mit der Bank eine geeignete Geschäftsleitung bestellt.

Zwei Jahre später, im Oktober 1952 wurde die Kaiserlich-Äthiopische Fernmeldedirektion für den Bau, Betrieb und Unterhalt der öffentlichen Fernmeldeanlagen errichtet. Die Konsultationen mit der Bank führten dazu, daß die Schwedische Telephon- und Telegraphenverwaltung die wichtigsten Führungskräfte für die Geschäftsleitung zur Verfügung stellte. Nachdem die Direktion aufgestellt worden war und den Betrieb der vorhandenen Anlagen übernommen hatte, nahm ihr Personal, einschließlich 11 schwedische Ingenieure in Schlüsselstellungen, die Arbeit an dem Programm auf, das mit dem Gegenwert von 1,2 Millionen \$ in Landeswährung von der äthiopischen Regierung und von der Bank mit einem Darlehen von 1,5 Millionen \$ zur Deckung der Devisenkosten finanziert wurde. Als Zusatzteil des Programms wurde von der Direktion

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ein Fernmeldeinstitut mit Hilfe des Technical Assistance Board der Vereinten Nationen und der Internationalen Fernmeldeunion (ITU) gegründet, das begann, Äthiopier für die spätere Übernahme der bislang von Ausländern besetzten Posten auszubilden. Dies hatte zur Folge, dass eine wachsende Zahl von Posten in der Geschäftsleitung und an anderen wichtigen Stellen von Äthiopiern bekleidet wurden und heute, abgesehen von dem Generaldirektor, dort nur noch vier Ausländer als Berater angestellt sind.

Das Projekt wurde Anfang 1956 fertig. Der örtliche Fernsprechverkehr in Addis-Abeba war erheblich verbessert worden, ebenso der Fernsprech- und Telegrammverkehr über Draht und Funk zwischen den Städten. Schließlich verband ein leistungsfähiges Fernsprech- und Telegrammnetz Addis-Abeba mit der übrigen Welt.

Doch die Geschichte geht noch weiter: Im September 1961 beantragte die Regierung ein weiteres Darlehen, damit das Entwicklungsprogramm der Kaiserlichen Fernmeldedirektion für 1962-64 anlaufen konnte, und acht Monate später wurde der Vertrag über ein Darlehen von 2,9 Millionen \$ unterzeichnet. Als dieses Programm praktisch abgeschlossen war, wandte sich Äthiopien erneut wegen eines Darlehens an die Bank, welches das Programm für 1965-67 mitfinanzieren sollte. Heute vor drei Wochen haben die Direktoren der Bank dieses dritte Darlehen im Betrag von 4,8 Millionen \$ für die Kaiserliche Fernmeldedirektion gebilligt.

Wie Sie wissen, ist die Bank ein vorsichtiger Darlehensgeber. Aus diesem Grunde bestand sie auf der Errichtung einer Behörde und beteiligte sich daran, um die Grundlage für eine wirksame Planung, Finanzierung und einen wirtschaftlich vertretbaren Bau und Betrieb des äthiopischen Fernmelde-netzes zu schaffen. Die Fernmeldedirektion hatte mit vielen Schwierigkeiten zu kämpfen, im Großen und Ganzen hat sie aber ihre Pflichten gut erfüllt und bietet die Sicherheit, daß künftige Erweiterun-

gen und Verbesserungen erfolgen werden, um Äthiopiens Bedürfnissen Rechnung zu tragen. Das ist ein Beispiel dafür, was wir in der Bank wirksame Finanzierung nennen.

Bei der Darlehensgewährung der Bank spielt die Hilfe bei der Gründung von Körperschaften oder Behörden im Zusammenhang mit Infrastrukturanlagen eine wichtige Rolle, und als Beispiel für die Auswirkungen, welche die erfolgreiche Tätigkeit einer solchen neuen Anstalt auf das Wohlergehen einer Gemeinschaft haben kann, verdient die Geschichte von dem Viehzuchtvorhaben in Uruguay erwähnt zu werden.

Vor 15 Jahren lud die Regierung von Uruguay die Bank und die FAO ein, eine gemeinsame Mission zu entsenden, um eine Untersuchung ihrer landwirtschaftlichen Probleme durchzuführen und Empfehlungen zu geben, welche als Grundlage eines landwirtschaftlichen Entwicklungsplanes dienen könnten. Die auf seiner Grünlandwirtschaft basierende Viehwirtschaft bildet den Grundpfeiler der Wirtschaft Uruguays. Auf Wolle, Fleisch, Milch und Nebenprodukte entfallen fast drei Viertel des Gesamtwerts der landwirtschaftlichen Erzeugung und der größte Teil der Deviseneinkünfte des Landes. Neben anderen Empfehlungen in ihrem Bericht lenkte die Mission die Aufmerksamkeit besonders auf die Notwendigkeit, ein umfassendes Programm zur Entwicklung der Viehwirtschaft aufzustellen.

Die Bank war gerne bereit, bei der Durchführung eines vernünftigen Programms zur Entwicklung der Viehwirtschaft mitzuhelfen. Allerdings würde sein Erfolg davon abhängen, ob man die konservativen Anschauungen der Bauern überwinden könnte. Eine tiefverwurzelte Abneigung dagegen, ihre althergebrachten Ansichten und Verfahren aufzugeben und Änderungen zu akzeptieren kennzeichnet ja nicht nur die uruguayischen, sondern die Bauern in der ganzen Welt. Es war daher notwendig, den uruguayischen Viehzüchtern die Vorteile der modernen Verfahren zur Verbesserung des Weidelandes und der Verwaltung zu demonstrieren.

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Den ersten Schritt mußte die Bildung eines Gremiums mit folgenden Aufgaben bilden: Auswahl der Bauern, die an dem Anschauungsunterricht teilnehmen sollten; Gewährung technischer Hilfe; Empfehlung gebilligter landwirtschaftlicher Entwicklungsprogramme für die erforderliche Unterstützung durch Darlehen, sowie Beaufsichtigung und Durchführung jedes landwirtschaftlichen Programms. Die Bank bot deshalb ihre Hilfe bei der Bildung eines solchen Gremiums an. Unter der Voraussetzung, daß diese Einrichtung von der uruguayischen Regierung geschaffen würde, gab sie ihre Bereitschaft zur Aufnahme von Verhandlungen über ein Darlehen zu erkennen, mit dem die Durchführung des Programms unterstützt werden sollte. Die sich anschließenden Vorarbeiten brauchten mehrere Jahre bis zu ihrem Abschluß. Techniker mußten in neuen Verfahren ausgebildet werden, und aus den verschiedensten Gründen traten immer wieder Verzögerungen bei den notwendigen gesetzgeberischen Maßnahmen zur Schaffung des Verwaltungsgremiums ein. Schließlich wurde jedoch im Jahre 1958 ein Viehwirtschaftsplan gebilligt und durch einen Parlamentsbeschluß zu seiner Verwaltung ein Gremium gebildet. Danach forderte die Bank die Regierung auf, mit ihr wegen eines Darlehens zu verhandeln. Die Gesamtkosten des Vierjahresprogramms wurden auf den Gegenwert von 11 Millionen \$ veranschlagt, und die Bank erklärte sich zu einem Darlehen von 7 Millionen \$ bereit, um den größten Teil des Devisenbedarfs für diesen Zeitraum zu decken. Im Rahmen des Programms sollte einer ersten Gruppe von 600 Bauern auf Höfen mit Viehwirtschaft technische und finanzielle Hilfe zur Verfügung gestellt werden. Durch Düngung und Neuansaat sollten die Weiden und die Fruchtbarkeit des Bodens verbessert werden. Die Höfe waren durch Zäune zu unterteilen, um ein geregeltes wechselweises Abweiden zu ermöglichen. Einen weiteren Programmpunkt bildete die bessere Kontrolle der Viehseuchen; auch sollten Beratungsdienste für die beteiligten Bauern aus diesen Mitteln bestritten werden.

Die Ergebnisse überstiegen alle Erwartungen. Im Endeffekt hatten sich statt der ursprünglich vorgesehenen 600 insgesamt 1.400 Bauern an dem Programm beteiligt. Die Kunde von den drei- bis vierfachen Steigerungen der viehwirtschaftlichen Produktion hatte die gesamte Bauernschaft des Landes erreicht. Daher war es nur selbstverständlich, daß sich die Bank auch an der Finanzierung der nächsten Programmstufe beteiligte. Im März dieses Jahres wurde ein Darlehen im Gegenwert von 12,7 Millionen \$ gebilligt. Die Durchführung dieser zweiten Programmstufe wird zusammen mit den Ergebnissen der ersten Stufe zur Verbesserung von insgesamt 37 Millionen Morgen Grünland führen. Weitere 37 Millionen Morgen Naturweiden eignen sich für eine ähnliche Melioration, doch werden auf Grund der teilweisen Melioration vieler Bauernhöfe an Stelle der kompletten Verbesserung weniger Betriebe 25% aller uruguayischen Weidebauern innerhalb von drei Jahren über ausreichende Erfahrungen verfügen, um die Entwicklung ihres eigenen Landbesitzes fortzuführen und ihren Nachbarn Rat zu erteilen.

Ich habe hier die Umstände geschildert, unter denen diese beiden Einrichtungen in Äthiopien und Uruguay geschaffen wurden, weil ich durch sie die Aufmerksamkeit auf eines der stärksten Hindernisse lenken möchte, auf die wir bei der Entwicklungsfinanzierung stoßen – auf das Fehlen des geeigneten Apparats, um neue Entwicklungsvorhaben abzuwickeln unter der Voraussetzung, daß die Finanzierung gesichert ist. Die Bank hat stets den Eindruck gehabt, daß die Erörterung eines Darlehens eine besonders günstige Gelegenheit darstellt, um bei der Gründung oder Verbesserung solcher Körperschaften mitzuwirken.

Diese Tätigkeit erfolgt in der Absicht, einen Beitrag zur Wirksamkeit der Entwicklungsfinanzierung sowohl aus anderen Quellen als auch aus der Weltbankgruppe zu leisten. Der Effekt bilateraler Entwicklungshilfe von Kapitalgeberländern wie der Bundesrepublik Deutschland kann wesentlich ge-

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steigert werden, wenn das Gerüst für die Finanzierung verstärkt wird. Die Unterstützung der Bank und der IDA bei der Entwicklung regionaler Kraftübertragungsnetze in Indien eröffnet sicherlich neue Möglichkeiten zur wirksamen Verwendung ausländischer Finanzhilfe aus den verschiedensten Quellen. Der Auftrieb, den die Ausweitung der Industrie durch Indiens aufeinanderfolgende Fünfjahrespläne erhält – und hier wäre besonders die Stahlindustrie zu nennen, die beträchtlich von der deutschen bilateralen Hilfe profitiert –, dieser Auftrieb unterstreicht die Notwendigkeit, zur wirtschaftlichen Verwendung der Elektrizität durch die Schaffung regionaler Netze zu gelangen. Die kürzlich von der indischen Regierung ergriffenen Maßnahmen, um die finanzielle und administrative Lage der Elektrizitätsbehörden in den einzelnen Staaten zu verstärken, haben es der Bank ermöglicht, vom gesamtindischen Standpunkt aus eine Finanzierung des Kraftübertragungsprogramms des Landes in Betracht zu ziehen. Im vergangenen Juni gewährten wir ein Darlehen von 70 Millionen \$, um die Leitungsanlagen mitzufinanzieren. Die sich ergebenden Verbesserungen in der organisatorischen Struktur der regionalen indischen Versorgungsnetze werden den Nutzeffekt der Entwicklungsprojekte steigern, die bilaterale Entwicklungshilfe erhalten.

Bis jetzt habe ich über die Rolle der Bank bei der Gründung von Körperschaften gesprochen, die der Verwaltung öffentlicher Einrichtungen oder Entwicklungsprogramme dienen. Aber wir haben auch auf einem anderen, außerordentlich fruchtbaren Gebiet gearbeitet. In einer Reihe von Fällen ist die Weltbankgruppe gebeten worden, bei der Gründung von Entwicklungsbanken oder der Reorganisation bestehender Geldinstitute zu helfen und Rat zu erteilen. In den letzten 25 Jahren haben die Regierungen verschiedener Entwicklungsländer die Gründung von Körperschaften mit dem Ziel eingeleitet, gefördert oder vorangetrieben, ihre eigenen finanziellen Hilfsmittel flüssig zu machen und sie in den an der Produktion beteiligten Teil der Wirt-

schaft zu leiten. Bis jetzt hat sich die Weltbankgruppe vorwiegend mit einem Entwicklungsbanktyp befaßt: der Entwicklungsfinanzierungsgesellschaft, die ausschließlich oder überwiegend in privater Hand ist. Hier möchte ich ein Beispiel erwähnen.

Im Jahre 1956 forderte die Regierung von Pakistan die Bank zur Entsendung einer Mission auf, die dort mit Regierungsbeamten, Banken und Geschäftsleuten einen Plan zur Gründung einer privaten Industriekreditbank in Pakistan besprechen sollte. Weltbankpräsident Eugene Black bat den damaligen Vorsitz der First Boston Corporation, Mr. George Woods, eine Drei-Mann-Mission zu leiten. Die Mission bestätigte die Notwendigkeit einer Einrichtung, um die Erweiterung oder Modernisierung kleiner und mittlerer Industriebetriebe zu unterstützen und bei der Bildung derartiger neuer Unternehmen behilflich zu sein. Ein aus prominenten pakistanischen Industriellen und Finanzleuten bestehender Lenkungsausschuß wurde gebildet, um die Vorarbeiten durchzuführen, die zur Gründung einer Industriekreditbank erforderlich waren, welche den Namen „Pakistan Industrial Credit and Investment Corporation Limited“, kurz PICIC, tragen sollte. Weltbankpersonal arbeitete eng mit dem Lenkungsausschuß zusammen und beriet ihn hinsichtlich einer geeigneten Kapitalstruktur für die Corporation und in Fragen der Geschäftsleitung, außerdem machte es später Auslandsinvestoren ausfindig, die für eine Übernahme des nicht in pakistanischem Besitz befindlichen Anteils am Aktienkapital der PICIC in Frage kämen. Einen Monat nach Gründung der Corporation nach pakistanischem Recht wurden im November 1957 die restlichen Aktien im Wege einer öffentlichen Emission an britische, amerikanische und japanische Investoren verkauft. Im darauffolgenden Monat erklärte sich die Bank bereit, der PICIC 4,2 Millionen Dollar zu leihen, die bei der Deckung des Devisenbedarfs der von der PICIC zu finanzierenden Industrieunternehmen Verwendung finden sollten. Dies war das

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erste in einer Reihe von Weltbankdarlehen an die PICIC, die heute den Gesamtbetrag von 109,2 Millionen \$ erreicht haben. Im Rahmen seines Hilfsprogramms hat Deutschland der PICIC mehr als 100 Millionen DM geliehen, auch Großbritannien, Frankreich, Japan und die Vereinigten Staaten haben ihr Anleihen gewährt. Als bedeutende Devisenquelle für die Privatindustrie hat die PICIC einen wesentlichen Beitrag zum Wachstum der pakistanischen Industrie geleistet. Sie hat der Industrie nicht nur direkte Anleihen gegeben, sondern beteiligte sich auch am Aktienkapital und übernahm das öffentliche Angebot von Wertpapieren.

Die Internationale Finanz-Corporation, die 5% des Aktienkapitals der PICIC innehat, ist jetzt federführend für die Weltbankgruppe auf dem Gebiet der Hilfe an Entwicklungsbanken tätig. Sie ist Aktionär von 16 dieser Banken, und bei ihren Transaktionen handelte es sich in mehreren Fällen auch darum, den neuen oder reorganisierten Geldinstituten gemeinsam mit europäischen, amerikanischen und japanischen Investoren Aktienkapital zur Verfügung zu stellen.

Viele von Ihnen wissen sehr genau, daß eines der entmutigendsten Probleme, mit denen sich die Industrien in den Entwicklungsländern auseinandersetzen müssen, die mangelhafte Entwicklung des Kapitalmarktes ist. Entwicklungsbanken können viel zur Stärkung des Kapitalmarktes beitragen und durch die Bereitstellung von Aktienkapital und Emissionsübernahme von Körperschaftsaktien einige der klaffenden Lücken schließen. Ihre Bemühungen werden tatkräftig von der Weltbankgruppe unterstützt, die rund 450 Millionen \$ an 21 dieser Banken in 19 Ländern gegeben hat. Ich möchte Ihnen jedoch als letztes Beispiel die Geschichte eines Falles unter vielen erzählen, in denen die Bank über die IFC direkt die Entwicklung eines einheimischen Kapitalmarktes und die breitere Streuung des Industrieaktienbesitzes unterstützt hat.

Die größte Einzelverpflichtung der Finanz-Corporation erfolgte in Form eines Vertrags, auf Grund dessen sie von der führenden privaten Stahlfirma in Mexiko, der Fundidora, 1964 begebene junge Aktien übernommen hat. Diese Geschichte geht aber zurück auf das Jahr 1962, als die Fundidora gegen Ende eines 6-Jahres-Expansionsprogramms dringend neues Kapital in Höhe von 5 Millionen \$ brauchte.

Ein mexikanisches Bankenconsortium errechnete, daß höchstens eine Million Dollar auf dem mexikanischen Kapitalmarkt aufgebracht werden könnte. Das war ein schwerer Schlag für die Firma, die keinerlei Neigung hegte, einen ausländischen Stahlproduzenten zum Erwerb einer Beteiligung aufzufordern. An diesem Punkt kam die IFC der Fundidora zu Hilfe und erklärte sich bereit, von ihr Aktien im Werte von 1 Million \$ zu kaufen und gleichzeitig gemeinsam mit mexikanischen Banken die Übernahme der zusätzlichen 4 Millionen \$ zu vereinbaren. Mit diesem Vertrag ging die IFC das Risiko ein, selbst 75% des 4-Millionen-\$-Engagements übernehmen zu müssen, falls sich die Kalkulationen der mexikanischen Banken als richtig erweisen sollten. Bis das öffentliche Angebot erfolgte, hatte die IFC zwei Bankhäuser in New York und eines in der Schweiz dazu überredet, sich in Höhe von einer Million \$ an ihrer eigenen Verpflichtung zu beteiligen. Damit verblieb der IFC eine Übernahmeverpflichtung von 2 Millionen \$, doch gelang es ihr, davon 60% in Mexiko zu verkaufen, als die Aktien zur Zeichnung aufgelegt wurden. Wenige Monate später war die IFC in der Lage, den Restbetrag ausschließlich auf dem mexikanischen Kapitalmarkt abzusetzen.

Genau zwei Jahre später startete die Fundidora ein neues 50 Millionen \$-Expansionsprogramm mit Hilfe einer Anleihe von der Export/Import Bank. Die Anleihe wurde unter der Bedingung gewährt, daß die Fundidora aus ihren eigenen Einkünften 10 Millionen \$ aufbringen und die restlichen 12 Millionen \$ auf dem einheimischen Kapitalmarkt auf-

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nehmen sollte. Hier förderte also eine andere Bank die Ausweitung des Kapitalmarktes in Mexiko. Ganz offensichtlich war dies eine Gelegenheit für eine weitere Übernahmetransaktion der IFC. Die Anleihe von 12 Millionen \$ stellte bei weitem die größte Zeichnungsaufforderung dar, die jemals an private Aktionäre in Mexiko gerichtet worden war. Die mexikanischen Banken erklärten sich bereit, 40% des Materials zu übernehmen, wodurch der IFC eine Verpflichtung in Höhe von 7,5 Millionen \$ verblieb, die höchste, die sie jemals einging. Als aber die Anleihe aufgelegt wurde, hatten die mexikanischen Banken inzwischen ihr Engagement auf 50% erhöht und die drei Bankhäuser, die sich 1962 an der Emissionsübernahme beteiligt hatten, nahmen 44%, so daß auf die IFC nur die restlichen 6% entfielen. Das gesamte Angebot wurde von mexikanischen Investoren innerhalb von 10 Tagen nach Auflegung gezeichnet.

Diese im wesentlichen schöpferische Tätigkeit kann, ganz gleich ob es sich um die Gründung einer neuen staatlichen Behörde oder die Stärkung des einheimischen Kapitalmarktes handelt, eine stimulierende Wirkung auf die Wirtschaft eines Entwicklungslandes ausüben, die in keinem Verhältnis zu der tatsächlich investierten Summe steht. Die Entwicklung dieser Einrichtungen ist eine ebenso notwendige Voraussetzung für das geordnete und sich organisch weiterentwickelnde Wachstum wie die Schaffung vernünftiger politischer Institutionen für die Arbeit einer demokratischen Regierung. Hier möchte ich ein Wort Disraelis einflechten, der sagte: „Personen können Gemeinschaften bilden, aber nur Institutionen können eine Nation schaffen.“

Ich möchte hier besonders hervorheben, daß das Interesse der Bank an den Einrichtungen, zu deren Entwicklung oder Verbesserung sie beigetragen hat, nicht mit der Unterzeichnung eines Darlehensvertrags endet, noch mit dem Abschluß eines Vorhabens oder Programms. Das Interesse der Bank dauert an. Wir behalten unser Werk weiter im

Auge, nicht nur als Bankiers, die ein beträchtliches Engagement zu schützen bestrebt sind, sondern in gleichem Maße als Entwicklungsexperten, die sehen wollen, daß diese Körperschaft und ihre Tätigkeit einen ständigen Beitrag zur Stärkung der Wirtschaft leistet. Unser Interesse an der Tätigkeit der äthiopischen Fernmeldedirektion erlahmte nicht im Laufe von 13 Jahren, in denen bisher 3 Darlehen gewährt wurden. An der PICIC erstreckte es sich über 9 Jahre, 6 Bankdarlehen, die Zeichnung von Aktienkapital durch die IFC und drei gemeinsame Investitionen der IFC mit der PICIC bei pakistanischen Industrieunternehmen. Die Bank ist seit 15 Jahren mit der viehwirtschaftlichen Entwicklung in Uruguay assoziiert. Und in jedem Falle hält unser Interesse weiter an. Entwicklungsfinanzierung kann man deshalb nicht mit einer ein für allemal wirkenden Spritze vergleichen. Wie diese Beispiele zeigen, muß man sich Jahre lang damit beschäftigen und mit allen Rückschlägen, Enttäuschungen und dem Zunichtwerden von Plänen fertigwerden, die unweigerlich den Entwicklungsprozeß begleiten.

Herr Vorsitzender, die Übersicht über einige unserer Arbeitsgebiete veranschaulicht die Vielschichtigkeit unserer Aufgabe der Entwicklungsfinanzierung. Wie wir an unseren Erfolgen und Fehlern in den letzten 20 Jahren gesehen haben, ist es eine Arbeit, die hohe Anforderungen stellt. Aber wir haben jetzt einen internationalen Mitarbeiterstab aufgebaut – 67 Nationalitäten sind in ihm vertreten –, der über beträchtliche fachliche Qualifikationen und große Erfahrung in der ganzen Welt verfügt. Dieses Personal arbeitet gleichzeitig für Bank und IDA – was logisch erscheint, da beide Gesellschaften sich nur im Hinblick auf die Herkunft ihrer Mittel und die Bedingungen ihrer Anleihen unterscheiden, und wir bearbeiten IDA-Kredite und Bankdarlehen völlig gleichartig und wenden bei beiden die gleichen Maßstäbe an.

Die Vielseitigkeit der beruflichen Qualifikationen spiegelt die verschiedenen Fähigkeiten wider, die für die Geschäftstätigkeit der Bank gebraucht wer-

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den: Volkswirtschaft, Ingenieurwesen, Rechnungswesen, Jura, öffentliche Verwaltung, Natur- und Sozialwissenschaften, Landwirtschaft und eine Vielzahl anderer Fächer, die alle in der Arbeit an der Entwicklungsfinanzierung ihren Platz haben. Deshalb wählen wir aus vielen Berufen erfahrene Kräfte aus, aber professionelle Sachkenntnis allein ist noch keine vollständige Ausrüstung für die Tätigkeit bei der Weltbank. Wir wählen diejenigen aus, die unseres Erachtens gewandt genug sind, um ihre Sachkenntnis den Erfordernissen dieser neuen Technologie der Entwicklung anzupassen. Das Bankpersonal muß technisches Wissen auf die Verwendung in einer vortechnischen Gesellschaft anpassen können. Straßen in Guinea zu bauen ist nicht dasselbe wie Straßenbau in Deutschland, und was als Anregung für die dänische Wirtschaft dient, braucht nicht unbedingt in Dahomey den gleichen Effekt zu erzielen. Viele bisher bei der internationalen Entwicklung gemachten Fehler rührten daher, daß die Hilfe Gebenden kein ausreichendes Verständnis für die Atmosphäre aufbrachten, in der die Entwicklung vorangetrieben wurde. Dies ist eine Lektion, welche die Bank ständig lernen muß.

Wir rekrutieren nicht nur Kräfte, die sich bereits in einem bestimmten Beruf hervorgetan haben, sondern wir führen der Bank auch jedes Jahr eine sorgfältig ausgewählte Gruppe zu, die später bei uns hohe Stellungen bekleiden soll. Unter den 51 Personen aus 27 Ländern, die bis jetzt in unser sogenanntes „Juniorenprogramm“ aufgenommen wurden und ein Durchschnittsalter von 27 Jahren haben, sind 7 Deutsche. Fast all diese Nachwuchskräfte besitzen ein Universitätsdiplom, viele haben promoviert. Während einer 18monatigen Probezeit werden sie im Hauptgeschäftssitz der Bank in Washington geschult und erhalten eine umfassende Ausbildung in den Geschäften der Bank. Dieses Programm, das 1963 eingerichtet wurde, ermöglicht der Bank die Aufstellung eines Kadern aus ungewöhnlich fähigen Leuten, die Zeit ihres Lebens in einer Berufssparte arbeiten wollen, die man heute mit

Fug und Recht „Entwicklungsfinanzierung“ nennen kann. Das heißt aber nicht, daß die Einstellung älterer Männer und Frauen aus den akademischen Berufen zurückgeht. Indem sie vielversprechende jüngere Menschen mit vielseitiger Ausbildung zusammenarbeiten läßt mit erfahrenen, technisch qualifizierten Kräften, versucht die Bank sicherzustellen, daß ihr Personal in geeigneter Weise gerüstet ist, um den vielseitigen Erfordernissen ihrer Geschäftstätigkeit gerecht zu werden.

Zu Beginn dieses Vortrags erwähnte ich, daß Finanzinstitute wie die Weltbank nur solange auf internationale Unterstützung rechnen können, wie ihre effektiven Leistungen Vertrauen erwecken. Ich habe versucht, teilweise zu erklären, wie die Bank arbeitet, um die Wirksamkeit ihrer Finanzierungen zu gewährleisten, und ich habe hier unsere Mitarbeiter lobend erwähnt, weil von ihrer Befähigung und Einsatzbereitschaft die Qualität unserer Arbeit abhängt. Friedrich Ebert, in dessen Andenken wir heute hier zusammengekommen sind, wurde von einem seiner Biographen mit folgenden Worten beschrieben „Er glaubte an Ideen und Ideale, aber ebenso glaubte er an Aktion und Organisation“. Ideen, Ideale, Aktion und Organisation – sie alle spielen eine entscheidende Rolle im Kampf gegen die Unterentwicklung, und ich bin sicher, daß dieser große deutsche Demokrat mit seinem leidenschaftlichen Willen, das Schicksal seiner Mitmenschen zu bessern billigen würde, was wir und alle anderen, die sich mit Entwicklungshilfe befassen, zu tun versuchen, um den weniger privilegierten Nationen der Welt zu einem ausgefüllteren und besseren Leben zu verhelfen.

ADDRESS BY GEOFFREY M. WILSON
VICE PRESIDENT OF THE WORLD BANK
TO THE
INTERNATIONAL CONGRESS OF THE FRIEDRICH EBERT FOUNDATION
BERGNEUSTADT, GERMANY
DECEMBER 7, 1965

THE PURPOSE AND EXPERIENCE OF THE WORLD BANK GROUP
IN DEVELOPMENT ASSISTANCE

Mr. Chairman,

I am very grateful that you have invited the World Bank to participate in this meeting. Though many of us here do business together, it is not so often that we have an opportunity to gather in any number to share our thoughts on issues of common interest in the field of finance and development. For affording us this opportunity we are indeed indebted to the Friedrich Ebert Foundation and its officers.

I was sorry that I had to miss yesterday morning's lectures, and I do not propose, at any rate at this stage, to pick up any of the questions that were aimed at me yesterday afternoon. But I do want to stress that the World Bank shares with the European Investment Bank a desire to assist in the steady economic growth of the developing countries associated with the European Economic Community and looks forward to cooperating with the European Investment Bank both there and in other areas of the developing world. The World Bank and its affiliate, the International Development Association, has made 16 loans and credits with a total value of \$340 million to African countries associated with the E.E.C. We have under consideration financing for another 20 projects in these countries. Furthermore we have financed five technical assistance studies and three more are in the pipeline. As part of our world-wide engagement in development financing, we look forward to continuing in our role as one of the several sources of finance for strengthening these developing economies.

The World Bank's engagement in development assistance is as I have said, world-wide, and perhaps it would be useful if I were to say something about the nature and the scope of its activities. The Bank itself, the largest unit of the Group, now has a membership of 103 countries and a subscribed capital amounting to about \$22 billion, one-tenth of which is actually paid in, i.e. \$2 billion. Since going into business in 1946, the Bank has made loans in 77 countries totaling \$9 billion, and during the last fiscal year, we reached the \$1 billion mark for the first time. Our lending has concentrated on projects that are basic to economic growth, especially the development of electric power systems, roads, railways and ports which has accounted for two-thirds of our lending. The balance has been for agriculture with the emphasis on irrigation, for industry, especially steel production and development finance companies, and for communications, education, water supply and general development purposes.

In order to lend, we have of course to borrow, and in the last fiscal year we returned to the private capital markets here in Germany, in Canada,

Switzerland and the United States with public borrowings equivalent to \$300 million, raising our outstanding funded debt to just under \$2-3/4 billion. But the Bank's affiliate, the International Development Association (IDA), lends on terms which mean that it cannot go to the capital markets for funds and therefore relies on its member governments for usable resources. IDA was established to meet the situation of those developing countries whose need for, and ability to make good use of, outside capital is greater than their ability to service conventional loans. Consequently, the terms of IDA's credits, 50 years and interest-free, are designed to impose the smallest possible burden on the borrowing country's balance of payments. In the five years of its existence, it has made credits totaling just under \$1.2 billion. By next summer, it will have committed the funds so far made available to it. By then, the member governments, among the principal of them Germany, will have to decide the scale on which they want IDA to meet the demand in the developing world for the type of financing it offers, and to replenish its resources accordingly.

The International Finance Corporation (IFC), which concentrates on the development of private enterprise, has a current membership of 80 countries and a share capital of \$99 million, and has so far made investment commitments totaling over \$138 million in 32 countries. This reflects the extent to which the Corporation has been successful in revolving its investments, thereby increasing the funds available to undertake new commitments.

Of the work of all three institutions in the World Bank Group, I shall have more to say in a moment, but first I want to acknowledge the considerable strength that our host country, Germany, has brought to them. Germany became a member of the World Bank 13 years ago and later became a founder member of both the IFC and IDA. Through her subscriptions she has made available or pledged a total of about DM 1,000 million in fully convertible, interest-free funds. Germany has also been the source of DM 3,200 (net of repayments) million of Bank funds borrowed from various German sources, but primarily from the Deutsche Bundesbank. These borrowings have included DM bonds publicly issued in the German market, DM and US\$ notes and bonds privately placed here, and US\$ bonds publicly placed in the United States. These borrowings have, of course, been mutually advantageous; the Bank has paid DM 640 million in interest to the holders of these notes and bonds. German investors have also purchased parts of Bank loans to member countries totaling the equivalent of DM 68 million, thus freeing that amount of additional money for re-lending by the Bank.

Germany gets other advantages from these funds as well. Through the Bank's system of international competitive bidding, German industry has earned DM 2,192 million in payment for goods supplied to the Bank's borrowers, a sum more than five times the amount of Germany's paid-in subscription to the Bank. For the last ten years German sales financed by the Bank have averaged more than DM 192 million per year. There is a further DM 134 million worth of orders won from recipients of IDA credits. The competitive successes of German industry are bringing this country a very healthy return on her contribution to development financing through the World Bank institutions.

Mr. Chairman, the measure of confidence placed in the World Bank and its affiliates, both by those who are primarily lenders and those who are primarily borrowers, depends on the effectiveness of its actual performance. In our view, effective performance means the financing of projects that will achieve a constructive result in the economy of the borrowing country. Hence the emphasis I mentioned earlier on the development of power systems and transportation -- facilities which, when operated efficiently, lead to the greater production and better organized distribution of useful goods, a growth of savings and a

strengthening of the international trade position, all of which will help raise living standards in the borrowing country.

But the Bank has found that effective financing is often blocked by the non-existence of suitable institutions to manage and operate the facilities that a loan is intended to finance. How effective an investment is the financing of a new port if there is no proper port authority to manage it? How can improvements in farming methods be effectively financed through rural credit systems if there are no proper credit institutions available to the farming community? The examples are numerous, and time and time again we have come up against this problem.

We have sought to contribute to its solution by assisting our members, wherever and whenever possible, in the process of institution-building. In Latin America, for example, we have often been asked to make electric power loans where no proper electricity authority or company existed. In these cases, - and others - the power business, not uncommonly, was being run by political bodies, there was no planning for future needs, revenue from sales simply went into general municipal revenues and nobody knew whether the business was paying its way or not. In cases of this kind the Bank has insisted on the creation of a proper power entity, staffed with managerial and technical personnel with adequate authority, and charged not only with the day-to-day administration of power supply, but also with the planning of an investment program to cover expansion.

Amongst the Bank's clients in Latin America are 32 organizations providing electric power, developing and operating ports or railways, or performing some other specific economic function. Of these 32 entities, 28 were organized or brought into operation with the help of the Bank, and together they have received over \$1 billion of Bank loans, about half of all our lending in Latin America.

This aspect of the Bank's business is not as widely known and understood as it should be. And yet it plays a vital part in ensuring the effectiveness of many of our operations. Consider, for instance, the case of Ethiopia's telecommunications system which had been crippled during World War II. In 1950, fewer than 100 communities could be reached by telephone and there were less than 2,000 telephones to serve a population estimated at between 12 and 16 million. This lack of communications was frustrating Ethiopia's development efforts. While the government was making great efforts to expand its export trade, the lack of communications was presenting serious problems. Producers were not able to get knowledge of market conditions; shippers and traders had difficulty in keeping track of goods moving on the country roads, and the government was hampered in its efforts to communicate with the country's outlying centers. In 1950 the government of Ethiopia decided to seek the help of the World Bank.

Ethiopia was no stranger to us. She was already negotiating a \$5 million loan for the rehabilitation and maintenance of the country's road system, a project which occasioned the creation of the Imperial Highway Authority, and another one of \$2 million to provide foreign exchange for projects to be financed by a new development bank. The World Bank fully recognized the benefits to the Ethiopian economy that an efficient telecommunications system would bring, but past history suggested that what was needed was a telecommunications authority to build and manage an up-to-date network. We therefore informed the government that we would finance the foreign exchange cost of modernizing and expanding the system provided that the government establish a proper authority, and, in consultation with the Bank, select a suitable management.

Two years later, the Imperial Board of Telecommunications of Ethiopia was established to build, operate and maintain all the public telecommunication

facilities. Consultations with the Bank resulted in the provision of key management staff by the Swedish Telephone and Telegraph Administration. Once the Board had been organized and had taken over the operation of the existing facilities, the staff, including a nucleus of 11 Swedish engineers in key positions, set to work on the program, financed by an equivalent of \$1.2 million in local currency from the Ethiopian government, and a loan of \$1.5 million from the Bank to cover the foreign exchange costs. As an adjunct to the program, the Board set up a Telecommunications Institute with the aid of the United Nations Technical Assistance Board and the International Telecommunications Union, and set about training Ethiopians for the eventual takeover of positions then held by foreigners. As a result, an increasing number of management and senior staff positions have been assumed by Ethiopians, and today, with the exception of the General Manager, the four remaining foreigners serve as advisers.

Early in 1956, the project was completed. Considerable improvements had been made to the local telephone service at Addis Ababa and to the interurban system of telephone and telegraph communications by wire and radio. Finally, a more efficient radio telephone and telegraph service now linked Addis Ababa to the outside world.

But the story does not end there. In September 1961, the government requested a further loan so that the Imperial Board's 1962-64 program of expansion could get under way, and eight months later a loan of \$2.9 million was signed. When that program was virtually completed, Ethiopia turned once more to the Bank for a loan to help finance the 1965-67 program. Three weeks ago today, the Bank's Executive Directors approved this third loan for a sum of \$4.8 million.

The Bank, as you are aware, is a careful lender. That is why it insisted on and participated in the creation of an authority to provide the basis for the efficient planning, financing, construction and operation of Ethiopia's telecommunications. The Board had to face many difficulties but it has, on the whole, performed well, and gives the assurance that further extensions and improvements will be made to meet Ethiopia's needs. That is what, at the Bank, we mean by effective financing.

Assistance in the creation of institutions and authorities related to basic infrastructure facilities has played a major role in Bank lending, and as an example of the impact that the successful operations of a new institution can have upon the livelihood of a community, the story of the Uruguay livestock venture is well worth the telling.

Fifteen years ago, the Government of Uruguay invited the Bank and the FAO to send a joint mission to undertake a survey of agricultural problems and to make recommendations that would furnish a basis for an agricultural development plan. Animal production based on grassland is the backbone of Uruguay's economy. Wool, meat, milk and byproducts represent about three-quarters of the total value of agricultural output and provide most of the country's foreign exchange earnings. Amongst the mission's recommendations, special attention was drawn to the need for a comprehensive livestock development program.

The Bank was anxious to help in the implementation of a program along these lines. But its success would depend on overcoming the conservatism of the farmers. A deep rooted reluctance to abandon traditional beliefs and methods and to accept change characterized the farmers of Uruguay as much as farmers anywhere else. What was needed, then, was a demonstration to the nation's livestock farmers of the advantages of modern techniques of pasture improvement and management.

The first steps would have to be the creation of a body that would select farmers to participate in the demonstration, the provision of technical assistance,

the recommendation of approved farm development plans for the necessary loan assistance, and for supervision and execution of each farm program. The Bank therefore offered its assistance in the establishment of such a body and, conditional upon its establishment by the Uruguay Government, expressed its readiness to negotiate a loan. The ensuing preparations took several years to complete. There were technicians to be trained in the new methods, and, for a variety of reasons, the necessary legislation establishing the administrative body met with frequent delays. But eventually, in 1958, a Livestock Plan was approved and a body established by act of Parliament to administer it. The Bank now invited the government to negotiate a loan. The total cost of the three-year program was estimated at the equivalent of \$11 million, and the Bank agreed to a loan of \$7 million to cover most of the foreign exchange requirements for that period. Under the program, technical and financial assistance was to be provided to livestock owners on a pilot group of 600 farms. Pastures and soil fertility were to be improved by fertilizing and reseeded. Farms were to be subdivided with fencing to permit controlled rotational grazing. Improved control of livestock diseases was among the features of the program, and the finance also covered extension services for the participating farmers.

The results turned out to be more impressive than had been expected. Farmers who eventually participated numbered 1,400 as opposed to the original target of 600. Throughout the country's farming community, word spread of the three to four-fold increases in livestock production. It was therefore only natural that the Bank should participate in the financing of the next stage of the program. In March of this year a loan equivalent to \$12.7 million was approved. The implementation of this second stage, together with the achievements during the first stage, will result in a total of $1\frac{1}{2}$ million acres of improved grassland. There are still 37 million acres of native grassland capable of similar improvement, but by improving part of a large number of farms rather than the whole of a few, a quarter of the grassland farmers of Uruguay will, within three years, have acquired the experience to continue the development of their own properties and to extend advice to their neighbors.

I have recounted the circumstances in which two institutions came into being, in Ethiopia and Uruguay, because they focus attention on one of the major stumbling blocks encountered in development financing -- the lack of suitable machinery to handle new development enterprises, on the assumption that finance is forthcoming. The Bank has found the discussion of a loan a particularly suitable occasion on which to assist in the creation or improvement of institutions.

Such activities aim at contributing to the effectiveness of financing from other sources as well as the World Bank Group. The effectiveness of bilateral aid from donor countries such as Germany can be greatly enhanced by the creation of a framework for finance. The Bank and IDA's assistance to the development of regional power transmission networks in India is opening up new opportunities for the effective application of foreign financial aid from a variety of sources. The impetus being given to industrial expansion in India's successive Five-Year Plans -- and here one might mention especially the steel industry which is benefiting substantially from German bilateral aid -- this impetus has underlined the need to achieve more economical use of electricity through the formation of regional networks. Measures recently taken by the Indian Government to strengthen the financial and administrative condition of the State Electricity Boards have enabled the Bank to consider an all-India approach to financing the country's power transmission program. Last June we made a loan of \$70 million to assist the financing of transmission works. Resulting improvements in the organizational structure of India's regional supply systems will add to the effectiveness of bilaterally assisted development projects.

I have spoken so far of the Bank's role in the creation of institutions designed to administer public facilities or development programs. But we have also operated in another most fruitful field. On a number of occasions the World Bank Group has been asked to help in establishing development finance companies or in the reorganization of existing institutions. In the past 25 years, the governments of several less developed countries have created, promoted or encouraged the organization of institutions to mobilize their resources of capital and channel them into the productive economy. The World Bank Group has, up to now, been primarily concerned with one type of development bank: the development finance company that is entirely or predominantly in private ownership. Let me cite an example.

In 1956, the Government of Pakistan invited the Bank to send a mission to discuss with Government officials, banks and businessmen a proposal for the establishment of a privately-owned industrial credit bank. The Bank's President, Mr. Eugene Black, invited Mr. George Woods, at that time Chairman of the First Boston Corporation, to head a three-man mission. The mission confirmed the need for an entity to assist in the expansion or modernization of small and medium-sized industries and to help create new ones. A Steering Committee of Pakistani industrialists and financiers was formed to carry out the preparatory work necessary to the establishment of an industrial credit bank to be called the Pakistan Industrial Credit and Investment Corporation Limited, or PICIC. World Bank officials worked closely with the Steering Committee, advising on a suitable capital structure and on management questions, and later locating potential foreign investors to take up that portion of the share capital not held by Pakistani investors. A month after the Corporation was established, in November 1957, the remainder of the shares, through a public offering, was sold to British, American and Japanese investors. The following month, the Bank agreed to lend PICIC \$4.2 million for use in meeting the foreign exchange requirements of industrial enterprises to be financed by the Corporation. This was to be the first of a series of Bank loans to PICIC which to date have amounted to a total of \$109.2 million. Under its aid program, Germany has lent more than DM 100 million to PICIC, and loans have also been made by Japan, France, the United Kingdom and the United States. As a major source of foreign exchange for private industry, PICIC has made a significant contribution to the industrial growth of Pakistan. It has not only lent direct to industry, but has also taken participations in share capital and underwritten new offerings of securities to the public.

The International Finance Corporation, which holds 5% of PICIC's share capital, now acts on behalf of the World Bank Group in the field of development finance companies. It is a shareholder in 16 such institutions and several of its operations have involved the provision, together with European, American and Japanese interests, of share capital to new institutions or to institutions that have been reorganized.

Many of you will know that one of the most frustrating of problems facing go-ahead industrialists in the developing world is the relatively underdeveloped state of local capital markets. Development finance companies can do much to help strengthen markets and fill in some of the gaps through provision of equity capital and the underwriting of public offerings of corporate securities. By providing about \$450 million to 21 institutions of this kind in 19 countries, the Bank Group is actively supporting their efforts. But, as my last case history, I should like to tell you of one instance in which the Group, acting through IFC, has given a more direct form of support to the development of a local capital market, and to the broadening of the ownership of industry.

IFC's largest single commitment to date was in the form of an agreement to underwrite a new share issue made in 1964 by the leading privately-owned steel company in Mexico, Fundidora. The history goes back to 1962 when Fundidora, at the end of a six-year expansion program, was badly in need of \$5 million in new capital.

A syndicate of Mexican bankers calculated that all that could be raised in the Mexican capital market was \$1 million. This was a serious blow to the company which had no wish to invite in a foreign steel manufacturer. At this point IFC came to the rescue and agreed to buy \$1 million worth of stock from the company and at the same time to arrange an underwriting for the additional \$4 million in partnership with the Mexican banks. Under the agreement, IFC was risking having to take up 75% of the \$4 million commitment if the Mexican banks proved correct in their assessment. By the time the public offering was made, IFC had persuaded two banking houses in New York and one in Switzerland to take up \$1 million worth of its commitment. This left IFC with a commitment of \$2 million, 60% of which it was able to sell in Mexico when the books were opened. After a few months IFC was able to sell off the remainder all on the Mexican market.

Just two years later, Fundidora launched a new \$50 million expansion program with the help of a loan from the Export-Import Bank. The condition of the loan was that the company should put up \$10 million out of its own earnings and raise the remaining \$12 million in the local capital market. Here was another Bank encouraging the expansion of the local capital market. Clearly this was a case for another IFC underwriting operation. The \$12 million offering was by far the largest public offering ever made to private stockholders in Mexico. The Mexican banks agreed to take 40% of the offering leaving IFC with a commitment of \$7.5 million, the largest commitment that IFC has ever made. But by the time the books opened, the Mexican banks had increased their commitment to 50%, and the three banking houses which had participated in the 1962 underwriting took up 44%, leaving IFC with the remaining 6%. The entire offering was taken up by Mexican investors within 10 days of opening.

These essentially creative operations, whether they be the establishment of a public authority or the strengthening of a local capital market, can have a stimulating effect upon the economy of a developing country out of all proportion to the actual sum of money involved. The development of these institutions is as essential a prerequisite of orderly and sustained growth as the creation of sound political institutions is essential to the pursuit of democratic government. As Benjamin Disraeli once said: "Individuals may form communities, but it is institutions alone that can create a nation."

I should like especially to emphasize that the Bank's interest in the institutions that it has helped to develop or improve does not end with the signing of a loan, nor even with the completion of a project or program. Our interest is a continuing one. We follow up on our work not just as bankers anxious to protect a substantial commitment, but just as importantly as development specialists anxious to see that the institution and its operations make a continuing contribution to the strengthening of the economy. Through 13 years and, so far, three loans, we have maintained our close interest in the operations of Ethiopia's Telecommunications Board. Our interest in PICIC has continued through 9 years, 6 bank loans, an IFC subscription to share capital, and 3 joint IFC-PICIC investments in Pakistani industry. The Bank has been associated with Uruguay's live-stock development for 15 years. And in every case the interest continues. Development finance is not a once-and-for-all shot in the arm. You have to stay with it for years, as these examples show, and cope with all the setbacks, disappointments and frustrations that characterize the development process.

Mr. Chairman, this survey of some of our activities illustrates the range and complexity of this business of development finance. It is an exacting profession, as we know well from our successes and failures over 20 years. But we have now built up an international staff -- 67 different nationalities are represented -- of considerable professional competence and with wide experience all over the world. This staff is one and the same for both the Bank and IDA -- logically enough since the two institutions differ only in the source of their funds and the terms of their lending -- and we process IDA credits and Bank loans in precisely the same way and apply the same criteria to both.

The variety of professional qualifications reflects the range of skills required for the Bank Group's operations: economics, engineering, accountancy, law, public administration, physical and social sciences, agronomy, and a variety of other disciplines, all of them having their place in the business of development finance. We therefore seek out men of experience from many professions, but professional expertise alone does not equip a man fully for work with the Bank. We select those whom we feel have sufficient flexibility to adapt their expertise to meet the demands of this new technology of development. The staff of the Bank needs to know how to adapt technical knowledge for use in pretechnical societies. Building roads in Guinea is not the same as building roads in Germany, and what stimulates Denmark's economy won't necessarily work for Dahomey. Many of the past failures in international development have resulted from the aid-givers inadequate understanding of the environment in which the development is being promoted. This is a lesson which the World Bank is constantly having to learn.

As well as recruiting those already proven in a particular profession, we are also bringing to the Bank each year a carefully selected group who will grow into high positions in the Bank. The 51 who have been appointed to date to what we call the Junior Professional Program include 7 Germans, have an average age of 27 and come from 27 different countries. Almost all hold a university degree at the Master's level, and many hold a Doctorate. During a probationary period of 18 months they are trained at the Bank's headquarters in Washington and receive a broad education in the affairs of the Bank. The operation of this program, which was instituted in 1963, is enabling the Bank to build up a cadre of exceptionally able people who expect to spend their working lives in what one can now justifiably refer to as the development finance profession. This does not mean that the recruiting of older men and women from the professions is diminishing. But by blending the broadly educated younger men of promise with the technically qualified men of experience, the Bank tries to ensure that its staff will be properly equipped to meet the complex demands of the business.

At the beginning of this lecture, I mentioned that financial institutions such as the World Bank retain international support only so long as their actual performance inspires trust and confidence. I have sought to describe some of the ways in which the Bank works to ensure the effectiveness of its financing operations, and I have commended our staff to you because it is upon their skill and dedication that the quality of our operations depends. Friedrich Ebert, in whose honor we are gathered here, was described by one of his biographers in these words: "He had faith in ideas and ideals, but he believed in action and organization as well." Ideas, ideals, action and organization all play vital roles in the war on underdevelopment, and I would certainly like to think that the great German democrat, with his passion for improving the lot of his fellow men, would approve of what we, and all others engaged in development finance, are trying to do to bring a fuller and better life to the less privileged nations of this earth.

ZUR SOFORTIGEN FREIGABE

INTERNATIONALE BANK FÜR
WIEDERAUFBAU UND ENTWICKLUNG



4, AVENUE D'ÉNA, PARIS 16. TELEFON : KLÉBER 25-10 TELEX 27029 TELEGRAMMADRESSE INTBAFRAD PARIS

Mitteilung an die Presse

Betr.: Vortrag von Mr. Geoffrey M. Wilson,
Vizepräsident der Weltbank, auf dem
Internationalen Kongreß der Friedrich-
Ebert-Stiftung in Bergneustadt am
7. Dezember 1965.

AUFGABEN UND ERFAHRUNGEN DER WELTBANKGRUPPE
AUF DEM GEBIET DER ENTWICKLUNGSHILFE

Herr Vorsitzender,

Ich bin Ihnen sehr dankbar, daß Sie die Weltbank zur Teilnahme an diesem Internationalen Kongreß der Friedrich-Ebert-Stiftung eingeladen haben. Obwohl viele von uns geschäftlich miteinander zu tun haben, bietet sich uns doch nicht oft eine solche Gelegenheit, in nennenswerter Zahl zu einem Gedankenaustausch über Fragen von gemeinsamem Interesse auf dem Gebiet der Finanzierung und Entwicklung zusammenzukommen. Wir sind der Stiftung und ihren leitenden Herren zu Dank verpflichtet, daß sie uns diese Möglichkeit gibt.

Es tut mir leid, daß ich den gestrigen Vortrag über die Funktion der europäischen Banken, insbesondere der Europäischen Investitionsbank, bei der europäischen Integration und bei der Entwicklungshilfe versäumen mußte. Botschafter Touré hat auf die Notwendigkeit zur Entwicklungsfinanzierung in den Ländern aufmerksam gemacht, die mit der Europäischen Wirtschaftsgemeinschaft assoziiert sind. Die Weltbank hat mit der Europäischen Investitionsbank den Wunsch gemein, ein ständiges wirtschaftliches Wachstum in diesen Entwicklungsländern zu unterstützen, und sieht mit Freuden einer Zusammenarbeit mit der Europäischen Investitionsbank

sowohl dort wie in anderen Entwicklungsländern der Welt entgegen. Bis Ende September 1965 haben die Weltbank und ihre Schwestergesellschaft, die Internationale Entwicklungsorganisation (IDA), mit der Europäischen Wirtschaftsgemeinschaft assoziierten afrikanischen Ländern 16 Darlehen und Kredite im Gesamtbetrag von 340 Millionen \$ gewährt. Gegenwärtig werden bei uns Finanzierungsanträge für 20 weitere Projekte in diesen Ländern bearbeitet. Darüberhinaus haben wir fünf Studien im Rahmen der technischen Hilfe finanziert, drei weitere stehen in Aussicht. Als Teil des weltweiten Engagements der Weltbankgruppe bei der Entwicklungsfinanzierung wollen wir gerne weiter unsere Rolle als eine von mehreren Finanzierungsquellen spielen, die zur Stärkung dieser in der Entwicklung stehenden Volkswirtschaften beitragen.

Die Tätigkeit der Weltbank auf dem Gebiet der Entwicklungshilfe ist, wie ich schon sagte, weltweit und vielleicht ist es nützlich, wenn ich hier etwas über die Natur und den Umfang ihrer Arbeit sage. Die Bank selbst, die größte Einheit der Gruppe, zählt jetzt 103 Mitgliedsländer und verfügt über ein gezeichnetes Kapital von etwas über 21,5 Milliarden \$, davon wurde ein Zehntel effektiv eingezahlt. Seit sie im Jahre 1946 ihre Tätigkeit aufnahm, hat die Bank in 77 Ländern Darlehen im Gesamtbetrag von 8,8 Milliarden \$ vergeben, und im letzten Geschäftsjahr haben wir zum ersten Mal die 1 Milliarden \$ - Grenze erreicht. Unsere Darlehensgewährung konzentrierte sich auf Projekte, die eine Grundlage für das Wirtschaftswachstum schaffen, also besonders auf die Entwicklung von Energieanlagen, Straßen, Eisenbahnen und Häfen, auf welche zwei Drittel unserer Darlehen entfielen. Die restlichen Bankdarlehen wurden für folgende Sektoren gewährt: Landwirtschaft unter besonderer Berücksichtigung von Bewässerung, Industrie mit dem Schwerpunkt auf Stahlproduktion und Entwicklungsbanken, außerdem für Fernmeldewesen, Erziehung, Wasserversorgung und allgemeine Entwicklungszwecke.

Um Darlehen gewähren zu können, muß die Bank Geld borgen, und im letzten Geschäftsjahr haben wir uns erneut an die privaten Kapitalmärkte hier in Deutschland, in Kanada, der Schweiz und den Vereinigten Staaten gewandt mit öffentlichen Anleihen im Gegenwert von 300 Millionen \$, wodurch sich unsere ausstehende fundierte Schuld auf nahezu 2 3/4 Milliarden \$ erhöht hat. Die Schwestergesellschaft der Bank, die Internationale Entwicklungsorganisation, kann sich jedoch nicht wegen neuer Mittel an die Kapitalmärkte wenden, sie ist hinsichtlich ihrer verwendbaren Hilfsmittel auf ihre Mitglieder angewiesen. Die IDA wurde geschaffen,

um der Situation jener Entwicklungsländer gerecht zu werden, deren Bedarf an ausländischem Kapital und Fähigkeit zu seiner zweckmäßigen Verwendung ihre Möglichkeiten zur Bedienung herkömmlicher Anleihen übersteigt. Infolgedessen sind die Bedingungen der IDA-Kredite, die zinslos und mit einer Laufzeit von 50 Jahren gewährt werden, darauf abgestellt, die Zahlungsbilanz des Kreditnehmerlandes so wenig wie nur irgend möglich zu belasten. In den fünf Jahren ihres Bestehens hat die IDA Kredite im Gesamtbetrag von etwas weniger als 1,2 Milliarden \$ vergeben. Bis zum nächsten Sommer wird sie alle ihr bisher zur Verfügung gestellten Mittel zugesagt haben. Bis zu diesem Zeitpunkt werden ihre Mitgliedsregierungen, eine der wichtigsten ist die deutsche Bundesregierung, entschieden haben müssen, in welchem Umfang die IDA den Bedarf der Entwicklungsländer an Finanzierungen, wie die IDA sie gewährt, von dieser befriedigt werden soll und müssen ihre Mittel dementsprechend auffüllen.

Die Internationale Finanz-Corporation (IFC), die sich auf die Entwicklung privater Unternehmen spezialisiert, verfügt gegenwärtig über 79 Mitgliedsländer und ein Aktienkapital von 99 Millionen \$; bis jetzt hat sie in 32 Ländern Investitionszusagen im Gesamtbetrag von mehr als 138 Millionen \$ gegeben. Diese Tatsache erhellt, in welchem Maße es der Finanz-Corporation gelungen ist, ihre Investitionen revolvierend einzusetzen und dadurch die ihr für neue Zusagen verfügbaren Mittel zu erhöhen.

Über die Arbeit dieser drei Institute der Weltbankgruppe werde ich später noch nähere Ausführungen machen, zuerst möchte ich jedoch dankbar anerkennen, daß unser Gastgeber Deutschland diesen drei Organisationen beträchtliche Stärke verliehen hat. Deutschland wurde vor 13 Jahren Mitglied der Weltbank und gehörte später zu den Gründungsmitgliedern der IFC und der IDA. Durch seine Kapitalzeichnungen sind insgesamt etwas mehr als eine Milliarde \$ ^{DM} in frei konvertierbaren, zinslosen Mitteln zur Verfügung gestellt worden, zu denen in Kürze noch aufgrund einer früheren Zusage an die IDA weitere 290 Millionen \$ hinzukommen werden. Aus Deutschland stammen auch Weltbankmittel in Höhe von 6.624 Millionen DM, welche von verschiedenen deutschen Quellen, hauptsächlich jedoch von der Deutschen Bundesbank, ausgeliehen wurden. In diesen Anleihen eingeschlossen sind öffentliche Emissionen von auf DM lautenden Schuldverschreibungen auf dem deutschen Markt, die Privatunterbringung von Schuldscheinen und Schuldverschreibungen in deutscher und US-amerikanischer Währung sowie öffentlich in den USA untergebrachte US\$-Bonds. Natürlich waren diese Anleihen für beide Seiten von Vorteil;

die Bank zahlte 640 Millionen DM Zinsen an die Inhaber von Schuldscheinen und Schuldverschreibungen in deutscher Wahrung und von auf US\$ lautenden Schuldverschreibungen und Schuldscheinen, die privat in Deutschland untergebracht worden waren. Deutsche Investoren haben auch im Gegenwert von 68 Millionen DM Tranchen von Bankdarlehen an Mitgliedslander gekauft und dadurch diese zusatzliche Summe fur eine Weiterverleihung durch die Weltbank zur Verfugung gestellt.

Deutschland zieht aber auch andere Vorteile aus diesen Mitteln. Durch das von der Bank angewendete Verfahren internationaler Ausschreibungen hat die deutsche Industrie 2.192 Millionen DM an Zahlungen fur Waren verdient, die den Darlehensnehmern der Bank geliefert wurden - eine Summe, die mehr als funfmal so gro ist wie der von Deutschland bei der Bank eingezahlte Zeichnungsbetrag. In den letzten zehn Jahren beliefen sich die von der Bank finanzierten Abschlusse deutscher Firmen im Jahresdurchschnitt auf 192 Millionen DM, Auftrage im Wert von weiteren 134 Millionen DM wurden von Kreditempfangern der IDA erzielt. Diese Wettbewerbserfolge der deutschen Industrie bringen der Bundesrepublik einen angemessenen Ertrag ein fur einen Beitrag zur Entwicklungsfinanzierung uber die Weltbankgruppe.

Herr Vorsitzender, das Ma des Vertrauens - sowohl der in erster Linie Gebenden wie der vornehmlich Empfangenden - gegenuber der Weltbank und ihren Schwestergesellschaften hangt ab von der Wirksamkeit ihrer eigentlichen Leistung. Nach Ansicht der Bank bedeutet 'wirksame Leistung' die Finanzierung von Projekten, welche sich konstruktiv auf die Wirtschaft des Darlehensnehmerlandes auswirken. Daraus ergibt sich der von mir vorher erwahnte besondere Schwerpunkt bei der Entwicklung der Energiewirtschaft und des Verkehrs -- also von Einrichtungen, die, wenn sie gut betrieben werden, zur groeren Erzeugung und besser organisierten Verteilung nutzlicher Waren, dem Wachstum der Ersparnisse und einer Starkung der Welthandelsposition fuhren, die ihrerseits zur Anhebung des Lebensstandards im Darlehensnehmerland beitragen.

Die Bank hat jedoch gefunden, da eine wirksame Finanzierung haufig durch das Fehlen von Einrichtungen verhindert wird, die zur Verwaltung und zum Betrieb derjenigen Anlagen geeignet waren, die das Darlehen finanzieren soll. Kann die Finanzierung eines neuen Hafens als wirksame Investition angesehen werden, wenn es keine Hafenbehorde gibt, die ihn verwaltet? Wie konnen verbesserte Agrarmethoden wirksam uber landwirtschaftliche Kreditsysteme finanziert werden, wenn dem

Landvolk keine richtigen Kreditinstitute zur Verfügung stehen? Es gibt zahllose Beispiele hierfür, immer wieder sind wir auf dieses Problem gestoßen.

Wir haben versucht, zur Lösung dieses Problems beizutragen, indem wir bei jeder Gelegenheit unseren Mitgliedern bei dem Prozeß der Gründung derartiger Körperschaften behilflich sind. In Lateinamerika sind wir beispielsweise oft gebeten worden, dorthin Energiedarlehen zu geben, wo es keine geeignete Elektrizitätsbehörde oder -gesellschaft gab. In diesen Fällen wurde das Energiegeschäft, was keineswegs ungewöhnlich ist, von politischen Gremien betrieben; es gab keine Planung für den künftigen Bedarf, die Einkünfte aus dem Stromverkauf wurden einfach dem allgemeinen städtischen Einkommen zugeführt, und niemand wußte, ob das Unternehmen sich selbst trug oder nicht. In solchen Fällen hat die Bank auf der Bildung einer ordentlichen Elektrizitätsgesellschaft bestanden, die mit kaufmännischem und technischem Personal mit entsprechenden Qualifikationen besetzt und nicht nur mit den Routinearbeiten der Energieversorgung, sondern auch mit der Aufstellung eines Investitionsprogramms für eine spätere Erweiterung betraut wurde.

Zu den Kunden der Bank in Lateinamerika gehören 32 Organisationen, die Elektrizität liefern, Häfen oder Eisenbahnnetze ausbauen und betreiben oder bestimmte andere wirtschaftliche Funktionen erfüllen. Von diesen 32 Körperschaften wurden 28 mit Hilfe der Bank errichtet oder in Gang gebracht und haben zusammen über eine Milliarde \$ in Bankdarlehen erhalten, das ist rund die Hälfte all unserer Darlehen in Lateinamerika. Und während ich jetzt hier vor Ihnen spreche, steht die Gründung einer weiteren derartigen Körperschaft unmittelbar bevor - einer unabhängigen Hafen- und Schifffahrtsbehörde in Paraguay, die bald zu unseren Kunden in der westlichen Hemisphäre gehören wird.

Dieser Aspekt unserer Arbeit in der Bank ist bei weiten Kreisen nicht in ausreichendem Maße bekannt und wird auch von zu wenigen Menschen verstanden. Und doch trägt er ganz entscheidend dazu bei, die Wirksamkeit vieler unserer Transaktionen zu gewährleisten. Lassen Sie uns zum Beispiel den Fall des äthiopischen Fernmeldenetzes näher betrachten, das im zweiten Weltkrieg fast völlig lahmgelegt worden war. 1950 konnte man keine 100 Gemeinden telefonisch erreichen und es gab weniger als 2000 Fernsprechanchlüsse für eine Bevölkerung, deren Zahl auf 12-16 Millionen geschätzt wurde. Dieses Fehlen eines guten Fernmeldenetzes machte Äthiopiens Entwicklungsbemühungen zunichte. Während die

Regierung große Anstrengungen unternahm, um ihren Außenhandel ganz allgemein auszudehnen, warf der Mangel an guten Fernmeldeanlagen ernste Probleme auf. Die Produzenten konnten sich nicht die erforderlichen Informationen über die Bedingungen auf den Absatzmärkten beschaffen; für Spediteure und Händler war es schwierig, die auf den Landstraßen beförderten Waren im Auge zu behalten; die Regierung stieß auf Hindernisse bei ihren Bemühungen, sich mit den entlegenen Knotenpunkten des Landes in Verbindung zu setzen. Im Jahre 1950 entschloß sich die äthiopische Regierung, die Weltbank um Hilfe zu ersuchen.

Äthiopien war für die Bank kein Fremder. Es verhandelte bereits mit ihr wegen eines 5 Millionen \$-Darlehens zur Wiederinstandsetzung und für den Unterhalt seines Straßennetzes, ein Projekt, das zur Bildung der Kaiserlichen Straßenbehörde führte, und wegen eines weiteren Darlehens von 2 Millionen \$, um Devisen für Projekte verfügbar zu machen, die von einer neuen Entwicklungsbank finanziert werden sollten. Die Weltbank erkannte, welche Vorteile ein leistungsfähiges Fernmeldenetz der äthiopischen Wirtschaft bringen würde, doch drängte sich auf Grund früherer Ereignisse der Eindruck auf, daß eine Fernmeldebehörde gebraucht würde, die ein modernes Netz errichten und verwalten sollte. Die Bank teilte daher der Regierung mit, daß sie die Devisenkosten für die Modernisierung und Erweiterung des Netzes finanzieren würde unter der Voraussetzung, daß die Regierung eine passende Behörde schaffen und nach Rücksprache mit der Bank eine geeignete Geschäftsleitung bestellt.

Im Oktober 1952 wurde die Kaiserlich-Äthiopische Fernmeldedirektion errichtet für den Bau, Betrieb und Unterhalt der öffentlichen Fernmeldeanlagen des Kaiserreichs Äthiopien mit Ausnahme der militärischen Fernmeldeeinrichtungen. Die Konsultationen mit der Bank führten dazu, daß die Schwedische Telephon- und Telegraphenverwaltung die wichtigsten Führungskräfte für die Geschäftsleitung zur Verfügung stellte. Nachdem die Direktion aufgestellt worden war und den Betrieb der vorhandenen Anlagen übernommen hatte, nahm ihr Personal, einschließlich 11 schwedische Ingenieure in Schlüsselstellungen, die Arbeit an dem Programm auf, das mit dem Gegenwert von 1,2 Millionen \$ in Landeswährung von der äthiopischen Regierung und von der Weltbank mit einem Darlehen von 1,5 Millionen \$ zur Deckung der Devisenkosten finanziert wurde. Als Zusatzteil des Programms wurde von der Direktion ein Fernmeldeinstitut mit Hilfe des Technical Assistance Board der Vereinten Nationen und der Internationalen Fernmeldeunion (ITU) gegründet, das begann, Äthiopier für die spätere Übernahme der bislang von Ausländern besetzten Posten auszubilden.

Dies hatte zur Folge, das eine wachsende Zahl von Posten in der Geschäftsleitung und an anderen wichtigen Stellen von Äthiopiern bekleidet wurden und heute, abgesehen von dem Generaldirektor, dort nur noch vier Ausländer als Berater angestellt sind.

Das Projekt wurde gegen Ende des ersten Quartals 1956 fertig. Der örtliche Fernsprechverkehr in Addis-Abeba war erheblich erweitert und verbessert worden, ebenso der Fernsprech- und Telegrammverkehr über Draht und Funk zwischen den Städten. Schließlich verband ein leistungsfähiges Fernsprech- und Telegraphennetz Addis-Abeba mit der übrigen Welt.

Doch die Geschichte geht noch weiter: Im September 1961 beantragte die Regierung ein weiteres Darlehen, damit das Entwicklungsprogramm für 1962-64 der Kaiserlichen Fernmeldedirektion anlaufen konnte, und acht Monate später wurde der Vertrag über ein Darlehen von 2,9 Millionen \$ unterzeichnet. Als dieses Programm praktisch abgeschlossen war, wandte sich Äthiopien erneut wegen eines Darlehens an die Bank, welches das Programm für 1965-67 mitfinanzieren sollte. Heute vor drei Wochen haben die Direktoren der Bank dieses dritte Darlehen im Betrag von 4,8 Millionen \$ für die Kaiserliche Fernmeldedirektion gebilligt.

Wie Sie wissen, ist die Bank ein vorsichtiger Darlehensgeber. Aus diesem Grunde bestand sie auf der Errichtung einer Behörde und beteiligte sich daran, um die Grundlage für eine wirksame Planung, die Finanzierung und den Bau und Betrieb des äthiopischen Fernmeldenetzes zu schaffen. Die Fernmeldedirektion hatte mit vielen Schwierigkeiten zu kämpfen, im Großen und Ganzen hat sie aber ihre Pflichten gut erfüllt und bietet die Sicherheit, daß künftige Erweiterungen und Verbesserungen erfolgen werden, um Äthiopiens Bedürfnissen Rechnung zu tragen. Das ist ein Beispiel dafür, was wir in der Bank wirksame Finanzierung nennen.

Bei der Darlehensgewährung der Bank spielte die Hilfe bei der Gründung von Körperschaften oder Behörden im Zusammenhang mit Infrastrukturanlagen eine wichtige Rolle, und als Beispiel für die Auswirkungen, welche die erfolgreiche Tätigkeit einer solchen neuen Anstalt auf das Wohlergehen einer Gemeinschaft haben kann, verdient die Geschichte von dem Viehzuchtvorhaben in Uruguay erwähnt zu werden.

Vor 15 Jahren lud die Regierung von Uruguay die Bank und die FAO ein, eine gemeinsame Mission in ihr Land zu entsenden, um eine Untersuchung ihrer landwirtschaftlichen Probleme und Erfordernisse durchzu-

führen und Empfehlungen zu geben, welche als Grundlage für die Aufstellung eines landwirtschaftlichen Entwicklungsplans dienen könnten. Die auf seiner Grünlandwirtschaft basierende Viehwirtschaft bildet den Grundpfeiler der Wirtschaft Uruguays. Auf Wolle, Fleisch, Milch und Nebenprodukte entfallen fast drei Viertel des Gesamtwerts der landwirtschaftlichen Erzeugung und der größte Teil der Deviseneinkünfte des Landes. Neben anderen Empfehlungen in ihrem Bericht lenkte die Mission die Aufmerksamkeit besonders auf die Notwendigkeit, ein umfassendes Programm zur Entwicklung der Viehwirtschaft aufzustellen.

Die Bank war gerne bereit, bei der Durchführung eines vernünftigen Programms zur Entwicklung der Viehwirtschaft mitzuhelfen, das den Anregungen des Berichts entsprechen würde. Allerdings würde sein Erfolg davon abhängen, in welchem Maße man die Bauern zu einer Abkehr von ihren konservativen Anschauungen bewegen könnte. Eine tiefverwurzelte Abneigung dagegen, ihre althergebrachten Ansichten und Verfahren aufzugeben und radikale Änderungen zu akzeptieren kennzeichnet ja nicht nur die uruguayischen, sondern die Bauern in der ganzen Welt. Es war daher notwendig, den uruguayischen Viehzüchtern die Vorteile der modernen Verfahren zur Verbesserung des Weidelandes und der Verwaltung zu demonstrieren.

Den ersten Schritt mußte die Bildung eines Gremiums mit folgenden Aufgaben bilden: Auswahl der Bauern, die an dem Anschauungsunterricht teilnehmen sollten; Gewährung technischer Hilfe; Empfehlung gebilligter landwirtschaftlicher Entwicklungsprogramme für die erforderliche Unterstützung durch Darlehen, sowie Beaufsichtigung und Durchführung jedes landwirtschaftlichen Programms. Die Bank bot deshalb ihre Hilfe bei der Bildung eines solchen Gremiums an. Unter der Voraussetzung, daß diese Einrichtung von der uruguayischen Regierung geschaffen würde, gab sie ihre Bereitschaft zur Aufnahme von Verhandlungen über ein Darlehen zu erkennen, mit dem die Durchführung des Programms unterstützt werden sollte. Die sich anschließenden Vorarbeiten brauchten mehrere Jahre bis zu ihrem Abschluß. Techniker mußten in neuen Verfahren ausgebildet werden, und aus den verschiedensten Gründen traten immer wieder Verzögerungen bei den notwendigen gesetzgeberischen Maßnahmen zur Schaffung des Verwaltungsgremiums ein. Schließlich wurde jedoch im Jahre 1958 ein Viehwirtschaftsplan gebilligt und kraft Gesetzes zu seiner Verwaltung ein Gremium mit dem Titel "Ehrenamtliche Kommission" gebildet.

Danach forderte die Bank die Regierung auf, mit ihr wegen eines Darlehens zu verhandeln. Die Gesamtkosten des Vierjahresprogramms wurden auf den Gegenwert von 11 Millionen \$ veranschlagt, und die Bank erklärte sich zu einem Darlehen von 7 Millionen \$ bereit, um den größten Teil des Devisenbedarfs für diesen Zeitraum zu decken. Im Rahmen des Programms sollte einer ersten Gruppe von 600 Bauern auf Höfen mit Viehwirtschaft technische und finanzielle Hilfe zur Verfügung gestellt werden. Durch Düngung und Neuansaat sollten die Weiden und die Fruchtbarkeit des Bodens verbessert werden. Die Höfe waren durch Zäune zu unterteilen, um ein geregeltes wechselweises Abweiden zu ermöglichen; einen weiteren Programmpunkt bildete die bessere Kontrolle der Viehseuchen. Ferner sollten auch Beratungsdienste für die beteiligten Bauern aus den Mitteln bestritten werden, die für die praktische Anwendung verbesserter Verfahren vorgesehen waren.

Die Ergebnisse dieses Musterprojekts überstiegen alle Erwartungen. Im Endeffekt hatten sich statt der ursprünglich vorgesehenen 600 insgesamt 1.400 Bauern an dem Programm beteiligt. Die Kunde von den dreibis vierfachen Steigerungen der viehwirtschaftlichen Produktion hatte die gesamte Bauernschaft des Landes erreicht. Daher war es nur selbstverständlich, daß sich die Bank auch an der Finanzierung der nächsten Programmstufe beteiligte. Im März dieses Jahres wurde ein Darlehen im Gegenwert von 12,7 Millionen \$ gebilligt. Die Durchführung dieser zweiten Programmstufe wird zusammen mit den Ergebnissen der ersten Stufe zur Verbesserung von insgesamt 37 Millionen Morgen Grünland führen. Weitere 37 Millionen Morgen Naturweiden eignen sich für eine ähnliche Melioration, doch werden auf Grund der teilweisen Melioration vieler Bauernhöfe an Stelle der kompletten Verbesserung weniger Betriebe 25% aller uruguayischen Weidebauern innerhalb von drei Jahren über ausreichende Erfahrungen verfügen, um die Entwicklung ihres eigenen Landbesitzes fortzuführen und ihren Nachbarn Rat zu erteilen.

Ich habe hier noch einmal die Umstände geschildert, unter denen diese beiden Einrichtungen in Äthiopien und Uruguay geschaffen wurden, weil ich durch sie die Aufmerksamkeit auf eines der stärksten Hindernisse lenken möchte, auf die wir bei der Entwicklungsfinanzierung stoßen -- auf das Fehlen des geeigneten Apparats, um neue Entwicklungsvorhaben unter der Voraussetzung abzuwickeln, daß die Finanzierung gesichert ist. Die Bank hat jedoch stets den Eindruck gehabt, daß die Erörterung eines Darlehens eine besonders günstige Gelegenheit darstellt, um bei der Gründung oder Verbesserung von Körperschaften mitzuwirken, die eine Schlüsselposition innerhalb der Wirtschaft einnehmen.

Diese Tätigkeit erfolgt in der Absicht, einen Beitrag zur Wirksamkeit der Entwicklungsfinanzierung aus anderen Quellen wie auch aus der Weltbankgruppe zu leisten. Der Effekt bilateraler Entwicklungshilfe von Kapitalgeberländern wie der Bundesrepublik Deutschland kann wesentlich gesteigert werden, wenn das Gerüst für die Finanzierung verstärkt wird. Die Unterstützung der Bank und der IDA bei der Entwicklung regionaler Kraftübertragungsnetze in Indien eröffnet sicherlich neue Möglichkeiten zur wirksamen Verwendung ausländischer Finanzhilfe aus den verschiedensten Quellen. Der Auftrieb, den die Ausweitung der Industrie durch Indiens aufeinanderfolgende Fünfjahrespläne erhält - und hier wäre besonders die Stahlindustrie zu nennen, die beträchtlich von der deutschen bilateralen Hilfe profitiert, - dieser Auftrieb unterstreicht die Notwendigkeit, zur wirtschaftlichen Verwendung der Elektrizität durch die Schaffung regionaler Netze zu gelangen. Die kürzlich von der indischen Regierung ergriffenen Maßnahmen, um die finanzielle und administrative Lage der Elektrizitätsbehörden in den einzelnen Staaten zu verstärken, haben es der Bank ermöglicht, vom gesamtindischen Standpunkt aus eine Finanzierung des Kraftübertragungsprogramms des Landes in Betracht zu ziehen. Im vergangenen Jahr gewährten wir ein Darlehen von 70 Millionen \$, um die im dritten Fünfjahresplan vorgesehenen Leitungsanlagen mitzufinanzieren. Die sich ergebenden Verbesserungen in der organisatorischen Struktur der regionalen indischen Versorgungsnetze werden den Nutzeffekt derjenigen Entwicklungsprojekte in diesen Gebieten steigern, die bilaterale Entwicklungshilfe erhalten.

Bis jetzt habe ich über die Rolle der Bank bei der Gründung von Körperschaften gesprochen, die der Verwaltung öffentlicher Einrichtungen oder Entwicklungsprogramme dienen. Aber die schöpferischen Neigungen der Bank kamen auch auf einem anderen, außerordentlich fruchtbaren Gebiet zum Tragen. In einer Reihe von Fällen ist die Weltbankgruppe gebeten worden, bei der Gründung von Entwicklungsbanken oder der Reorganisation bestehender Geldinstitute zu helfen und Rat zu erteilen. In den letzten 25 Jahren haben die Regierungen verschiedener Entwicklungsländer die Gründung von Körperschaften mit dem Ziel eingeleitet, gefördert oder vorangetrieben, ihre eigenen finanziellen Hilfsmittel flüssig zu machen und sie in den an der Produktion beteiligten Teil der Wirtschaft zu leiten. Bis jetzt hat sich die Weltbankgruppe vorwiegend mit einem Entwicklungsbanktyp befaßt: der Entwicklungsfinanzierungsgesellschaft, die ausschließlich oder überwiegend in privater Hand ist. Lassen Sie mich ein Beispiel erwähnen.

Im Jahre 1956 forderte die Regierung von Pakistan die Bank zur Entsendung einer Mission auf, die dort mit Regierungsbeamten, Banken und Geschäftsleuten einen Plan zur Gründung einer privaten Industriekreditbank in Pakistan besprechen sollte. Weltbankpräsident Eugene Black bat den damaligen Vorsitz der First Boston Corporation, Mr. George Woods, eine Drei-Mann-Mission zu leiten. Die Mission bestätigte die Notwendigkeit einer Einrichtung, um die Erweiterung oder Modernisierung kleiner und mittlerer Industriebetriebe zu unterstützen und/bei der Bildung derartiger neuer Unternehmen behilflich zu sein. Ein aus prominenten pakistanischen Industriellen und Finanzleuten bestehender Lenkungsausschuß wurde gebildet, um die Vorarbeiten durchzuführen, die zur Gründung einer Industriekreditbank erforderlich waren, welche den Namen "Pakistan Industrial Credit and Investment Corporation Limited", kurz PICIC, tragen sollte. Weltbankpersonal arbeitete eng mit dem Lenkungsausschuß zusammen und beriet ihn hinsichtlich einer geeigneten Kapitalstruktur für die Corporation und in Fragen der Geschäftsleitung, außerdem machte es später Auslandsinvestoren ausfindig, die für eine Übernahme des nicht in pakistanischem Besitz befindlichen Anteils am Aktienkapital der PICIC in Frage kämen. Einen Monat nach Gründung der Corporation nach pakistanischem Recht wurden im November 1957 die restlichen Aktien im Wege einer öffentlichen Emission an britische, amerikanische und japanische Investoren verkauft. Im darauffolgenden Monat erklärte sich die Bank bereit, der PICIC 4,2 Millionen Dollar zu leihen, die bei der Deckung des Devisenbedarfs der von der PICIC zu finanzierenden Industrieunternehmen Verwendung finden sollten. Dies war das erste in einer Reihe von Weltbankdarlehen an die PICIC, die heute den Gesamtbetrag von 109,2 Millionen \$ erreicht haben. Im Rahmen seines Hilfsprogramms hat Deutschland der PICIC mehr als 100 Millionen DM geliehen, auch Großbritannien, Frankreich, Japan und die Vereinigten Staaten haben ihr Anleihen gewährt. Als bedeutende Devisenquelle für die Privatindustrie hat die PICIC einen wesentlichen Beitrag zum Wachstum der pakistanischen Industrie geleistet. Sie hat der Industrie nicht nur direkte Anleihen gegeben, sondern beteiligte sich auch am Aktienkapital und übernahm das öffentliche Angebot von Wertpapieren.

Die Internationale Finanz-Corporation, die 5 % des Aktienkapitals der PICIC innehat, ist jetzt federführend für die Weltbankgruppe auf dem Gebiet der Hilfe an Entwicklungsbanken tätig. Sie ist Aktionär

von 16 dieser Banken, und bei ihren Transaktionen handelte es sich in mehreren Fällen auch darum, den neuen oder reorganisierten Geldinstituten gemeinsam mit europäischen, amerikanischen und japanischen Investoren Aktienkapital zur Verfügung zu stellen.

Ich brauche wohl diesen Zuhörerkreis nicht daran zu erinnern, daß eines der entmutigendsten Probleme, mit denen sich die Industriellen in den Entwicklungsländern auseinandersetzen müssen, die mangelhafte Entwicklung des Kapitalmarktes ist. Entwicklungsbanken wie die mit Hilfe der Weltbank gegründeten können viel zur Stärkung des Kapitalmarktes beitragen und durch die Bereitstellung von Aktienkapital und Emissionsübernahme von Körperschaftsaktien einige der klaffenden Lücken schließen. Ihre Bemühungen werden tatkräftig von der Weltbankgruppe unterstützt, die rund 450 Millionen \$ an 21 derartige Banken in 19 Ländern gegeben hat. Ich möchte Ihnen jedoch als letztes Beispiel die Geschichte eines Falles unter vielen erzählen, in denen die Bank über die IFC direkt die Entwicklung eines einheimischen Kapitalmarktes und die breitere Streuung des Industrieaktienbesitzes unterstützt hat.

Bis heute hat die IFC Bereitschaftszusagen und Übernahmegarantien im Gesamtbetrag von 16,5 Millionen \$ in sechs Ländern gemacht, die größte Einzelverpflichtung der Finanz-Corporation erfolgte in Form eines Vertrags, auf Grund dessen sie von der führenden privaten Stahlfirma in Mexiko, der Fundidora, 1964 begebene junge Aktien übernommen hat. Diese Geschichte geht aber zurück auf das Jahr 1962, als die Fundidora gegen Ende eines 6-Jahres-Expansionsprogramms dringend neues Kapital in Höhe von 5 Millionen \$ brauchte.

Ein mexikanisches Bankenkonsortium errechnete, daß höchstens eine Million Dollar auf dem mexikanischen Kapitalmarkt aufgebracht werden könnte. Das war ein schwerer Schlag für die Firma, die keinerlei Neigung hegte, einen ausländischen Stahlproduzenten zum Erwerb einer Beteiligung aufzufordern. An diesem Punkt kam die IFC der Fundidora zu Hilfe und erklärte sich bereit, von ihr Aktien im Werte von 1 Million \$ zu kaufen und gleichzeitig gemeinsam mit mexikanischen Banken die Übernahme der zusätzlichen 4 Millionen \$ zu vereinbaren. Mit diesem Vertrag ging die IFC das Risiko ein, selbst 75 % des 4-Millionen \$-Engagements übernehmen zu müssen, falls sich die Kalkulationen der mexikanischen Banken als richtig erweisen sollten. Bis das öffentliche Angebot erfolgte, hatte die IFC zwei Bankhäuser in New York und eines in der Schweiz dazu überredet, sich in Höhe von einer Million \$ an ihrer eigenen Verpflichtung zu beteiligen. Damit verblieb der IFC eine

Übernahmeverpflichtung von 2 Millionen \$, doch gelang es ihr, davon 60% in Mexiko zu verkaufen, als die Aktien zur Zeichnung aufgelegt wurden. Wenige Monate später war die IFC in der Lage, die restlichen 800.000 \$ ausschließlich auf dem mexikanischen Kapitalmarkt abzusetzen.

Genau zwei Jahre später startete die Fundidora ein neues 50 Millionen \$ - Expansionsprogramm mit Hilfe einer 28 Mio \$ -Anleihe von der Export/Import Bank. Die Anleihe wurde unter der Bedingung gewährt, daß die Fundidora aus ihren eigenen Einkünften 10 Millionen \$ aufbringen und die restlichen 12 Millionen \$ auf dem einheimischen Kapitalmarkt aufnehmen sollte. Hier förderte also eine andere Bank die Ausweitung des Kapitalmarktes in Mexiko. Ganz offensichtlich war dies eine Gelegenheit für eine weitere Übernahmetransaktion der IFC. Die Anleihe von 12 Millionen \$ stellte bei weitem die größte Zeichnungsaufforderung dar, die jemals an private Aktionäre in Mexiko gerichtet worden war. Die mexikanischen Banken erklärten sich bereit, 40% des Materials zu übernehmen, wodurch der IFC eine Verpflichtung in Höhe von 7,5 Millionen \$ verblieb, die höchste, die sie jemals einging. Als aber die Anleihe aufgelegt wurde, hatten die mexikanischen Banken inzwischen ihr Engagement auf 50% erhöht und die drei Bankhäuser, die sich 1962 an der Emissionsübernahme beteiligt hatten, nahmen 44%, so daß auf die IFC nur die restlichen 6% entfielen. Das gesamte Angebot wurde von mexikanischen Investoren innerhalb von 10 Tagen nach Auflegung gezeichnet.

Diese im wesentlichen schöpferische Tätigkeit kann, ganz gleich ob es sich um die Gründung einer neuen staatlichen Behörde oder die Stärkung des einheimischen Kapitalmarktes handelt, angesichts der tatsächlichen Höhe der Entwicklungsfinanzierung eine unverhältnismäßig stimulierende Wirkung auf die Wirtschaft eines Entwicklungslandes ausüben. Die Entwicklung dieser Einrichtungen ist eine ebenso notwendige Voraussetzung für das geordnete und sich organisch weiterentwickelnde Wachstum wie die Schaffung vernünftiger politischer Institutionen für die Arbeit einer demokratischen Regierung. Hier möchte ich ein Wort Disraelis einflechten, der sagte: "Personen können Gemeinschaften bilden, aber nur Institutionen können eine Nation schaffen".

Ich möchte hier besonders hervorheben, daß das Interesse der Bank an den Einrichtungen, zu deren Entwicklung oder Verbesserung sie beigetragen hat, nicht mit der Unterzeichnung eines Darlehensvertrags endet, noch mit dem Abschluß eines Vorhabens oder Programms. Im wesentlichen dauert das Interesse der Bank an, denn die betreffende Einrichtung ist wahrscheinlich ein für allemal unser Kunde. Wir behalten unser Werk weiter im Auge, nicht nur als Bankiers, die ein beträchtliches Engagement

zu schützen bestrebt sind, sondern in gleichem Maße als Entwicklungs-
experten, die sehen wollen, daß diese Körperschaft und ihre Tätigkeit
den ständigen und erhofften Beitrag zur Stärkung der Wirtschaft leisten,
der die Aufnahme des Darlehens rechtfertigt. Unser Interesse an der
Tätigkeit der äthiopischen Fernmeldedirektion erlahmte nicht im Laufe
von 13 Jahren, in denen bisher 3 Darlehen gewährt wurden. An der
PICIC erstreckte es sich über 9 Jahre, 6 Bankdarlehen, die Zeichnung von
Aktienkapital durch die IFC und drei gemeinsame Investitionen der IFC
mit der PICIC bei pakistanischen Industrieunternehmen. Die Bank ist seit
15 Jahren mit der viehwirtschaftlichen Entwicklung in Uruguay assoziiert.
Und in jedem Falle hält unser Interesse weiter an. Entwicklungsfinan-
zierung kann man deshalb nicht mit einer ein für allemal wirkenden
Spritze vergleichen. Wie diese Beispiele zeigen, muß man sich Jahre lang
damit beschäftigen und mit allen Rückschlägen, Enttäuschungen und dem
Zunichtwerden von Plänen fertigwerden, die unweigerlich den Ent-
wicklungsprozeß begleiten.

Herr Vorsitzender, die Übersicht über einige unserer Arbeitsge-
biete veranschaulicht die Vielschichtigkeit unserer Aufgabe der Ent-
wicklungsfinanzierung. Wie wir an unseren Erfolgen und Fehlern in den
letzten 20 Jahren gesehen haben, ist es eine Arbeit, die hohe Anforderun-
gen stellt. Aber wir haben jetzt einen internationalen Mitarbeiter-
stab aufgebaut - 57 Nationalitäten sind in ihm vertreten -, der über
beträchtliche fachliche Qualifikationen und große Erfahrung in der
ganzen Welt verfügt. Dieses Personal arbeitet gleichzeitig für Bank und
IDA - was logisch erscheint, da beide Gesellschaften sich nur im Hinblick
auf die Herkunft ihrer Mittel und die Bedingungen ihrer Anleihen unter-
scheiden, und wir bearbeiten IDA-Kredite und Bankdarlehen völlig gleich-
artig und wenden bei beiden die gleichen Maßstäbe an.

Die Vielseitigkeit der beruflichen Qualifikationen spiegelt
die verschiedenen Fähigkeiten wieder, die für die Geschäftstätigkeit der
Bank gebraucht werden: Volkswirtschaft, Ingenieurwesen, Rechnungswesen,
Jura, öffentliche Verwaltung, Natur- und Sozialwissenschaften, Land-
wirtschaft und eine Vielzahl anderer Fächer, die alle in der Arbeit an
der Entwicklungsfinanzierung ihren Platz haben. Deshalb wählen wir aus
vielen Berufen erfahrene Kräfte aus, aber professionelle Sachkenntnis
allein ist noch keine vollständige Ausrüstung für die Tätigkeit bei
der Weltbank. Wir wählen diejenigen aus, die unseres Erachtens gewandt
genug sind, um ihre Sachkenntnis den Erfordernissen dieser neuen Techno-
logie der Entwicklung anzupassen. Das Bankpersonal muß technisches
Wissen auf die Verwendung in einer vor-technischen Gesellschaft anpassen
können. Straßen in Guinea zu bauen ist nicht dasselbe wie Straßenbau in
Deutschland, und was als Anregung für die dänische Wirtschaft dient,

braucht nicht unbedingt in Dahomey den gleichen Effekt zu erzielen. Viele bisher bei der internationalen Entwicklung gemachten Fehler rührten daher, daß die Hilfe Gebenden kein ausreichendes Verständnis für die Atmosphäre aufbrachten, in der die Entwicklung vorangetrieben wurde. Dies ist eine Lektion, welche die Bank ständig lernt.

Wir rekrutieren nicht nur Kräfte, die sich bereits in einem bestimmten Beruf hervorgetan haben, sondern wir führen der Bank auch jedes Jahr eine sorgfältig ausgewählte Gruppe zu, die später bei uns hohe Stellungen bekleiden sollen. Unter den 51 Personen aus 27 Ländern, die bis jetzt in unser sog. "Juniorenprogramm" aufgenommen wurden und ein Durchschnittsalter von 27 Jahren haben, sind 7 Deutsche. Fast all diese Nachwuchskräfte besitzen ein Universitätsdiplom, viele haben promoviert. Während einer 18-monatigen Probezeit werden sie im Hauptgeschäftssitz der Bank in Washington geschult und erhalten eine umfassende Ausbildung in den Geschäften der Bank. Dieses Programm, das 1963 eingerichtet wurde, ermöglicht der Bank die Aufstellung eines Kaderns aus ungewöhnlich fähigen Leuten, die Zeit ihres Lebens in einer Berufssparte arbeiten wollen, die man heute mit Fug und Recht "Entwicklungsfinanzierung" nennen kann. Das heißt aber nicht, daß die Einstellung älterer Männer und Frauen aus den akademischen Berufen zurückgeht. Indem sie vielversprechende jüngere Menschen mit vielseitiger Ausbildung zusammenarbeiten läßt mit erfahrenen, technisch qualifizierten Kräften versucht die Bank sicherzustellen, daß ihr Personal in geeigneter Weise gerüstet ist, um den vielseitigen Erfordernissen ihrer Geschäftstätigkeit gerecht zu werden.

Zu Beginn dieses Vortrags erwähnte ich, daß Finanzinstitute wie die Weltbank nur solange auf internationale Unterstützung rechnen können, wie ihre effektiven Leistungen Vertrauen erwecken. Ich habe versucht, teilweise zu erklären, wie die Bank arbeitet, um die Wirksamkeit ihrer Finanzierungen zu gewährleisten, und ich habe hier unsere Mitarbeiter lobend erwähnt, weil von ihrer Befähigung und Einsatzbereitschaft der Erfolg unserer Arbeit abhängt. Friedrich Ebert, in dessen Andenken wir heute hier zusammengekommen sind, wurde von einem seiner Biographen mit folgenden Worten beschrieben: "Er glaubte an Ideen und Ideale, aber ebenso glaubte er an Aktion und Organisation". Ideen, Ideale, Aktion und Organisation - sie alle spielen eine entscheidende Rolle im Kampf gegen die Unterentwicklung, und ich bin sicher, daß dieser große deutsche Demokrat mit seinem leidenschaftlichen Willen, das Schicksal seiner Mitmenschen zu bessern, billigen würde, was wir und alle anderen, die sich mit Entwicklungshilfe befassen, zu tun versuchen, um den weniger privilegierten Nationen der Welt zu einem ausgefüllteren und besseren Leben zu verhelfen.

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DRAFT: MR. WILSON'S SPEECH - GERMANY, DECEMBER 7, 1965

Card under effects

Germany + the World Bank - p. 3-4

Power - p. 5-6

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L.A. (of 32 entities created to perform some particular ec. function - power, ports, sup) 28 org'd + brought into op. with help of Bk) p. 6

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Hold for Israel story

Mr. Chairman,

I am very grateful that you have invited the World Bank to participate in this ^{meeting} ~~International Congress of the Friedrich Ebert Foundation~~. Though many of us here do business together, it is not so often that we have an opportunity to gather in any number to share our thoughts on issues of common interest in the field of finance and development. For affording us this opportunity we are indeed indebted to the ^{Friedrich Ebert} Foundation and its officers.

I was sorry that I ^{had to miss yesterday morning's lectures, and I do not} ~~was unable to arrive early enough to hear yesterday's~~ ^{propose, at any rate at this stage, to pick up any of the questions that were} ~~lectures on the function of the European banks, and of the European Invest-~~ ^{aimed at me yesterday afternoon. But I do want to stress that} ~~ment Bank in particular, in the field of European integration and development~~.

~~aid. Ambassador Tours, whom I did have the pleasure of hearing, focussed attention on the need for development finance in the countries associated with the European Economic Community. The World Bank shares with the European Investment Bank a desire to assist in the steady economic growth of these~~ ^{associated with the Community} ~~developing countries and looks forward to cooperating with the European Invest-~~ ~~ment Bank both there and in other areas of the developing world. Up to the~~

~~end of September of this year~~ ^{the} World Bank and its affiliate, the International Development Association, ~~has~~ ^{we have under consideration} made 16 loans and credits with a total value of \$340 million to African countries associated with the E.E.C. ~~Financing for another 20 projects in these countries is under Bank consideration.~~ ^{our} Furthermore we have financed five technical assistance studies and three more are in the pipeline. As part of the ~~World Bank Group's~~ ^{our} world-wide engagement

in development financing, we ~~certainly~~ look forward to continuing in our role as ~~one~~ of the several sources of finance for ~~the~~ strengthening of these developing economies.

The World Bank's engagement in development assistance is, as I have said, world-wide, and perhaps it would be useful if I ~~was to preface my remarks~~ ^{were to say something about} ~~this morning with a brief resume~~ of the nature and the scope of its activities.

The Bank itself, the largest ^{unit} ~~element~~ of the Group, now has a membership of 103 countries and a subscribed capital amounting to ^{about 522 billion - foreign billions -} ~~a little over \$212 billion,~~ ^{i.e. \$2 billion.} one-tenth of which is actually paid in. Since going into business ~~back~~ in 1946, the Bank has made loans up to the end of September last in 77 countries totaling ^{\$9} ~~\$8.6~~ billion, and during the last fiscal year, ^{we reached} ~~the amount of money lent by the Bank in a single year topped~~ the \$1 billion mark for the first time. Our lending has concentrated on projects that are basic to economic growth, especially the development of electric power systems, roads, railways and ports which has accounted for two-thirds of our lending. The balance of ~~the~~ ~~Bank's~~ loans has been for agriculture with the emphasis on irrigation, for industry, especially steel production and development finance companies, and for communications, education, water supply and general development purposes.

In order to lend, ^{we have of course} ~~the Bank has to~~ borrow, and in the last fiscal year we returned to the private capital markets here in Germany, in Canada, Switzerland and the United States with public borrowings equivalent to \$300 million, raising our outstanding funded debt to just under \$2-3/4 billion. But the Bank's affiliate, the International Development Association, ^{lends on terms which mean that it} ~~which extends~~ 50-year interest-free credits without requiring government guarantee cannot go to the capital markets for funds ^{and it} ~~but~~ relies on its membership for usable resources. IDA, ^{was established to meet the situation of those developing countries whose need for, and ability to make good use of, outside capital is greater than their ability to service} ~~which~~ ^{it} ~~in the five years of its existence, has made credits~~ totaling just under \$1.2 billion, ^{it} ~~will,~~ ^{it will} By next summer, have committed the

Consequently, the terms of IDA's credits, 50 years and interest-free, are designed to impose the smallest possible burden on the borrowing country's balance of payments.

we recognize there is a debt problem.

funds so far made available to it. *By then, the member governments, among the principal of them Germany, will have to decide the scale on which they* ~~Moves are therefore being made to re-~~
~~plenish IDA's resources so that the Association can meet the demand in the~~
~~want IDA to meet the demand in the developing world for the type of financing~~
~~developing world for the type of financing it offers.~~
~~it offers, and to replenish its resources accordingly.~~

The International Finance Corporation, ~~the affiliate of the Bank that~~ *which*
concentrates on the development of private enterprise, has a current member-
ship of ~~29~~ ⁸⁰ countries and a share capital of \$99 million, ~~making share as well~~ *and*
~~as loan capital available to the companies it finances,~~ it has so far made
investment commitments totaling over \$138 million in 32 countries. ~~The fact~~
~~that its commitments are in excess of its share capital~~ *this* reflects primarily
the extent to which the Corporation has been successful in revolving its invest-
ments, thereby increasing the funds available to undertake new commitments.

Of the work of all three institutions in the World Bank Group, I shall
have more to say in a moment, but *first I want* ~~having outlined for you the scale on which~~
~~the Group is operating, I feel that the moment is opportune to acknowledge the~~
considerable strength that our host country, Germany, has *brought to them* ~~lent to the World~~
~~Bank Group through its membership of these three institutions.~~ Germany became
a member of the World Bank 13 years ago and ~~was later to become~~ ^{is} a founder member
of both the IFC and IDA. Through her subscriptions she has made available to
~~the three institutions a total of just over~~ *about* DM 1,000 million in fully convertible,
interest-free funds, *including* with a further DM 290 million shortly to be added under an
earlier pledge to IDA. Germany has also been the source of ^{DM 3,200 (net of repayments) million} ~~\$1,656~~ million of
Bank funds borrowed from various German sources, but primarily from the Deutsche
Bundesbank. These borrowings have included DM bonds publicly issued in the
German market, DM and US\$ notes and bonds privately placed here, and US\$ bonds
publicly placed in the United States. These borrowings have, of course, been
mutually advantageous; the Bank has paid DM 640 million in interest to the

holders of ^{these} ~~the~~ DM notes and bonds, and the U.S. dollar bonds and notes privately placed in Germany. In addition, German investors have ^{also} purchased parts of Bank loans to member countries totaling the equivalent of DM 68 million, thus freeing that amount of additional money for relending by the Bank.

~~Reflecting on these figures, you might be inclined to conclude that membership of the World Bank is somewhat costly in subscriptions for a donor country. But one must remember that the flow of funds is by no means one-way.~~
Through the Bank's system of international competitive bidding, German industry has earned DM 2,192 million in payment for goods supplied to the Bank's borrowers, ~~under loan agreements,~~ a sum more than five times the amount of Germany's paid-in subscription to the Bank. ^{German sales financed by the Bank have} ~~these earnings~~ have averaged more than DM 192 million per year. ^{There is} ~~One can add to the total~~ a further DM 134 million worth of orders won from recipients of IDA credits. ~~It is certainly the case that~~ the competitive successes of German industry are bringing this country ^{very} a healthy return on her contribution to development financing through the World Bank's institutions.

We ought, however, to remember, that financial institutions such as the World Bank retain the support of their members and the good will of the world's capital markets only so long as the trust and confidence placed in them as financial institutions remains strong and intact. It is often recalled that the World Bank is the oldest and largest of the multilateral development finance institutions in the world. But as credentials, its age and its size alone are insufficient. Set against the time span of the war on underdevelopment, twenty years seems scarcely a ripe old age. And in the light of the constantly growing need for development finance in the poorer two-thirds of the world, a \$1 billion a year lending program seems a relatively modest effort. In the final analysis,

J. Mc Chairman

the measure of confidence placed in the World Bank and its affiliates, both by those who are primarily ^{lenders} ~~donors~~ and those who are primarily ^{borrowers} ~~recipients~~, depends on the effectiveness of its actual performance. In the ^{our} ~~Bank's~~ view, effective performance means the financing of projects that will achieve a constructive result in the economy of the borrowing country. ~~In line with such a policy, we have concentrated our lending on projects which are basic to economic growth;~~ hence the emphasis I mentioned earlier on the development of power systems and transportation -- facilities which, when operating ^{ed} ~~ing~~ efficiently, lead to the greater production and better organized distribution of useful goods, a growth of savings and a strengthening of the international trade position, all of which will help raise living standards in the borrowing country.

But the Bank has found, ~~on numerous occasions,~~ that effective financing ^{is often} ~~has been~~ blocked, not by the existence of any unsuitable economic or fiscal policies, ~~but rather~~ by the non-existence of suitable institutions to manage and operate the facilities that a loan is intended to finance. How effective an investment is the financing of a new port if there is no proper port authority to manage it? How can improvements in farming methods be effectively financed through rural credit systems if there are no proper credit institutions available to the farming community? The examples are numerous, and time and time again ~~we have~~ ^{we have} ~~the Bank has~~ come up against this problem.

~~Our reaction has been, I think you will agree, the only really practical wherever and whenever possible, in the process of institution-building and sensible one; we have, wherever and whenever possible, lent out active support and assistance to the creation of suitable institutions where without them there can be no effective investment. In Latin America, for example, we have often been asked to make electric power loans where no proper electricity authority or company existed. In these cases, ^{- and others -} the power business, not uncommonly, was being run ^{by political bodies} ~~as an activity of the municipal government~~, there was no planning~~

for future needs, revenue from sales simply went into ^{general municipal revenues} ~~gross receipts~~ and nobody knew whether the business was paying its way or not. In cases ~~after~~ ^{with adequate authority,} ~~case~~ of this kind the Bank has insisted on the creation of a proper power entity, adequately staffed with managerial and technical personnel, and charged not only with the day-to-day administration of power supply, but also with the planning of an investment program to cover expansion.

Amongst the Bank's clients in Latin America are 32 organizations ~~created~~ ^{to provide} electric power, ~~to~~ ^{develop} and operate ~~ports or railways, or to~~ ^{perform} some other ^{specific} ~~particular~~ economic function. Of these 32 entities, 28 were organized or brought into operation with the help of the Bank, and together they have received over \$1 billion of Bank loans, about half of all our lending in Latin America. ~~And as I speak to you now, yet another such entity is in the process of being established -- an independent port and navigation authority in Paraguay -- soon to be counted amongst our clients in the Western Hemisphere.~~

This aspect of the Bank's business is not as widely known and understood as it should be. And yet it plays a vital part in ensuring the effectiveness of many of our operations. Consider, for instance, the case of Ethiopia's tele-^{system which had been crippled during World War II,} ~~communications. Telephones were first installed in Ethiopia in 1903, and by the 1930's a network of telephone and telegraph communications had been extended from Addis Ababa to most of the provincial capitals. During the war, almost the entire system was crippled. Such equipment as was left, mostly military equip-~~ ^{ment,} ~~ment, was of inadequate capacity and poorly maintained, and by 1950, the system was near to complete breakdown.~~ ^{fewer} than 100 communities could be reached by telephone and there were less than 2,000 telephones to serve a population estimated at between 12 and 16 million. This lack of ~~proper~~ ^{communications} was frustrating Ethiopia's development efforts. While the government was making

great efforts to expand its export trade generally, the lack of ~~proper~~ ^{proper} communications was presenting serious problems. Producers were not able to get ~~the quick and wide~~ ^{the} knowledge of market conditions, ~~that they needed,~~ ^{that they needed,} shippers and traders had difficulty in keeping track of goods moving on the country roads, and the government was hampered in its efforts to communicate with the country's outlying centers ~~of population.~~ ^{of population.} In 1950 the government of Ethiopia decided to seek the help of the World Bank.

Ethiopia was no stranger to ~~the Bank,~~ ^{us,} She was already negotiating a \$5 million loan for the rehabilitation and maintenance of the country's road system, ~~a project which occasioned the creation of the Imperial Highway Authority,~~ ^{a project which occasioned the creation of the Imperial Highway Authority,} and another one of \$2 million to provide foreign exchange for projects to be financed by a new development bank. The World Bank fully recognized the benefits to the Ethiopian economy that ~~a proper~~ ^{an efficient} telecommunications system would bring, but ~~the~~ ^{the} past history ~~of the country's telephone and telegraph system~~ ^{of the country's telephone and telegraph system} suggested strongly ~~that~~ ^{that} what was needed was a telecommunications authority to build and manage an up-to-date network. ~~The Bank~~ ^{We} therefore informed the government that ~~it~~ ^{we} would finance the foreign exchange cost of modernizing and expanding the system ~~on the condition~~ ^{provided} that the government establish a proper authority, and, in consultation with the Bank, select a suitable management ~~and staff.~~ ^{and staff.}

^{Two years later} In October 1952, the Imperial Board of Telecommunications of Ethiopia was established to build, operate and maintain all ~~the~~ ^{the} public telecommunication facilities ~~of the Empire of Ethiopia other than military telecommunications.~~ Consultations with the Bank resulted in the provision of key management staff by the Swedish Telephone and Telegraph Administration. ~~Once established, the~~ ^{the Board had been organized and} ~~staff, including nearly 100 foreigners, set to work on the program, financed~~ ^{had taken over the operation of the existing facilities, the staff, including a nucleus of 11 Swedish engineers in key positions, set to work on the program, financed} by an equivalent of \$1.2 million in local currency from the Ethiopian government, and a loan of \$1.5 million from the World Bank to cover the foreign exchange

costs. As an adjunct to the program, the Board set up a Telecommunications Institute with the aid of the United Nations Technical Assistance Board, and ~~the International Telecommunications Union, and~~ set about training Ethiopians for the eventual takeover of positions then held by foreigners. *As a result, an increasing number of management and senior staff positions have been assumed by Ethiopians, and today, with the exception of the General Manager, the four remaining foreigners serve as advisers.* ~~The Institute did its work admirably, and is still doing so; today there are only five foreigners left on a staff of more than 1700.~~ ~~By the end of the first quarter of 1956, the project was completed.~~

Early in Considerable ~~expansion and improvements~~ had been made to the local telephone service at Addis Ababa and to ~~an~~ *the* interurban system of telephone and telegraph communications by wire and radio, ~~providing long distance facilities for a hundred or so towns.~~ Finally, there ~~was now~~ *a more* a modern and efficient radio telephone and telegraph service *now* ~~linking the entire Ethiopian network~~ *of Addis Ababa* to the outside world.

But the story does not end there. In September 1961, the government requested a further loan so that the Imperial Board's 1962-64 program of expansion could get under way, and eight months later a loan of \$2.9 million was signed. ~~Even this new program could not satisfy the growing domestic demand for service, and when Addis Ababa was selected as the Headquarters for the United Nations Economic Commission for Africa and for the Organization for African Unity, the load on the international telephone and telegraph channels increased substantially.~~ When ~~the 1962-64~~ *that* program was virtually completed, Ethiopia turned once more to the Bank for a loan to help finance the 1965-67 program. Three weeks ago today, the Bank's Executive Directors approved this third loan, *for* a sum of \$4.8 million, ~~to the Imperial Board.~~

The Bank, as you are aware, is a careful lender. That is why it insisted on and participated in the creation of a ~~telecommunications authority that could efficiently carry through the project and manage the newly installed facilities.~~ *authority to provide the basis of the efficient planning, financing, construction and operation of Ethiopia's telecommunications.* ~~The Board, from the very beginning, has discharged its functions admirably and, assurance that further extensions and improvements will be made to meet Ethiopia's needs,~~

as a result, Ethiopia is well on the way to possessing a truly modern and efficient telecommunications service. That is what, at the Bank, we ~~call~~ *mean by* effective financing.

In 1958, about the time when the Ethiopians were thinking about the next stages in the expansion of their telecommunications system to meet the rising demand, the government of Israel was also facing a problem of growing pains. Because of its geographical location in the midst of the Arab world, Israel's trade and commerce depends upon its sea ports. Seven years ago, Haifa, Israel's only deep water port, was handling all passenger traffic and 85% of all freight traffic. For several years, the port had been operating beyond its theoretical capacity, and with the steadily growing amount of cargo and the increasing number of ships, the average waiting time of ships from arrival in port to commencement of unloading had lengthened to more than a day. Of the other ports, Tel Aviv-Jaffa was playing a relatively small part in the development of Israel's ocean-going commerce and the new port of Elath on the Gulf of Aqaba was then still a port of limited usefulness.

With expectations of growing trade in the coming years, the Israeli Government knew that a new port would have to be built. After extensive study the government settled on Ashdod, on the Mediterranean to the South of Tel Aviv, the original site of an ancient port and fortress city of the Philistines. The government estimated the cost of the first stage of the Ashdod development at \$45 million which would form part of their \$64 million over-all port development program which included funds for the continued improvement of Haifa and Elath. As a program of this size would certainly require a measure of external finance, Israeli officials came to Washington early in 1960 to consult with the Bank. The Bank suggested that perhaps the most modern and efficient way to further their port development plans and to insure a self-supporting operation,

assuming the necessary funds were forthcoming from the Bank and elsewhere, was to create a public authority for the future administration of all their ports. The Bank also suggested to them that they could do no better than to take as their model for study the first, largest and most experienced American Authority, the Port of New York Authority.

There had been considerable experience in Israel with the use of the public corporation to conduct major economic enterprises owned by the government or with substantial government participation -- the Palestine Electric Company and the Fertilizers and Chemical Company were two principal examples. But the theory and function of a Port Authority was something new. After consideration of the Bank's suggestion, the Israeli government asked the Bank if it would persuade the Executive Director of the Port of New York Authority, Mr. Austin Tobin, to visit Israel to review their problems of port development and discuss with their Ministries of Finance and Transport the powers and responsibilities of a Port Authority and the problems of integrating such an agency into their governmental institutions. Mr. Tobin agreed to go to Israel, and a day or so before he finally left Israel for home, the Government announced that it had accepted the recommendations of the World Bank and would organize an Israeli Ports Authority as an autonomous, self supporting economic unit.

With this key decision taken, the Bank was now in a position to negotiate a loan. Estimates of the cost of the Ashdod project were revised to \$54.7 million, and in September 1960 the Bank agreed to make a loan of \$27.5 million to cover all the foreign exchange requirements, with the condition that the Port Authority be set up. Over the ensuing months the Bank and the government worked out the details of the Authority's powers, management, resources and capital structure, and in mid-1961 the Authority was duly established and the port properties and facilities at Haifa, Jaffa, Tel Aviv, Elath and Ashdod were

~~transferred to it. The first stage of the building of the Ashdod Port is now nearing completion and it will shortly be handling twice as much traffic as Tel Aviv-Jaffa without congestion or delay and at lower cost for both cargo and ships. But just as important, Israel now has a fully operative and efficiently managed Port Authority which will ensure that Israel's port facilities keep pace with the country's expanding trade.~~

Assistance in the creation of institutions and authorities related to basic infrastructure facilities has thus played a major role in Bank lending, and as an example of the impact that the successful operations of a new institution can have upon the livelihood of a community, the story of the Uruguay livestock venture is well worth the telling.

~~Uruguay is essentially a pastoral country. Its major natural resources is its 16 million hectares of usable land, 90% of which is used for animal production based on grassland. Wool, meat, milk and byproducts represent about three-quarters of the total value of agricultural output and provide most of the country's earnings. Fifteen years ago, the Government of Uruguay invited the Bank and the FAO to send a joint mission to the country to undertake a survey of its agricultural problems and requirements and to make recommendations that would furnish a basis upon which an agricultural development plan could be drawn up.~~ *Animal production based on grassland is the backbone of Uruguay's economy. Wool, meat, milk and byproducts represent about three-quarters of the total value of agricultural output and provide most of the country's foreign exchange earnings.* ~~The report that the mission produced achieved a considerable impact and 30,000 copies of it were distributed to interested parties throughout the country. Amongst the adjustments within the agricultural economy that the report suggested, the mission drew special attention to the need for a comprehensive livestock development program.~~ *recommendations, was drawn*

The Bank was anxious to help in the implementation of a sound livestock development program along the lines that the report suggested. But its success would depend on *overcoming* ~~the extent to which~~ the conservatism of the farmers, ~~could be~~

~~broken down.~~ A deep rooted reluctance to abandon traditional beliefs and methods and to accept radical changes characterized the farmers of Uruguay as much as farmers anywhere else. ~~One could not impose changes wholesale upon them; they would require prior proof that the new methods that they were being urged to adopt would really bring improvements.~~ What was needed, then, was a demonstration to the nation's livestock farmers of the advantages of modern techniques of pasture improvement and management.

The first steps would have to be
The idea was an appealing one, but, as the Bank emphasized, no such program could be implemented so long as no machinery to administer it existed. ~~What was needed was~~ *the creation of* a body that would be responsible for selecting farmers to participate in the demonstration, the provision of technical assistance, the recommendation of approved farm development plans for the necessary loan assistance, and for supervision and execution of each farm program. The Bank therefore offered its assistance in the establishment of such a body, and conditional upon its establishment by the Uruguay government, *expressed its readiness* ~~the Bank would be prepared~~ to negotiate a loan ~~to help implement a livestock improvement program.~~ The ensuing preparations took several years to complete. There were technicians to be trained in the new methods, and, for a variety of reasons, the necessary legislation establishing the administrative body met with frequent delays. But eventually, in 1958, a Livestock Plan was approved and a body entitled ~~The Honorary Commission~~ established by act of Parliament to administer it. The Bank now invited the government to negotiate a loan. The total cost of the three-year program was estimated at the equivalent of \$11 million, and the Bank agreed to a loan of \$7 million to cover most of the foreign exchange requirements for that period. Under the program, technical and financial assistance was to be provided to livestock owners on a pilot group of 600 farms. ~~Pastures and soil fertility were to be improved by fertilizing and reseeded.~~ Farms

were to be subdivided with fencing to permit controlled rotational grazing, ~~and improved control of livestock diseases was among other features of the program.~~ ^{and the finance also covered extension services for the participating farmers.} ~~Furthermore, extension services to participating farmers would be directly supported by the finance necessary to put the improved practices into effect.~~

The results of ~~this pilot project~~ turned out to be even more impressive than had ~~tentatively~~ been expected. Farmers who eventually participated numbered 1,400 as opposed to the original target of 600. Throughout the country, ^{farming community} ~~farmers~~

^{word spread} ~~heard of the three to four-fold increases in livestock production, from the improved grassland, and were mightily impressed.~~ It was therefore only natural that the Bank should participate in the financing of the next stage of the program. In March of this year a loan equivalent to \$12.7 million was approved.

^{The implementation of this second stage} ~~Under this second stage similar improvements will be made to pastures on 2,600 medium sized farms, and about 1,000 operators of larger farms will participate on a cash basis.~~ This, ^{but} together with the achievements during the first stage, will result in a total of 1½ million acres of improved grassland. There are still 37 million acres of native grassland capable of similar improvement, ^{but} and by improving part of a large number of farms rather than the whole of a few, a quarter of the grassland farmers of Uruguay will, within three years, have acquired the experience to continue the development of their own properties and to extend advice to their neighbors.

I have recounted the circumstances in which ^{two} ~~three~~ institutions came into being, in Ethiopia, ~~Israel~~ and Uruguay, because they focus attention on one of the major stumbling blocks encountered in development financing -- the lack of suitable machinery to handle new development enterprises, on the assumption that finance is forthcoming. ~~It may be less than fair to suggest that in a developing country, the incentive to establish institutions of the kind we have~~

~~discussed is proportionate to the need for external financing in that partic-
ular sector of the economy. But what can be said is that the Bank has found
the ^{discussion of a loan} making of a loan proposal a particularly suitable occasion ^{on which to} to call for
and assist in the creation or improvement of institutions, at key points in
the economy.~~

Such activities ~~are pursued with the aim of~~ ^{of} contributing to the effective-
ness of ~~development~~ financing from other sources as well as the World Bank
Group. The effectiveness of bilateral aid from donor countries such as Germany
can be greatly enhanced by the creation of a framework for finance. The Bank
and IDA's assistance to the development of regional power transmission net-
works in India is certainly opening up new opportunities for the effective
application of foreign financial aid from a variety of sources. The impetus
being given to industrial expansion in India's successive Five-Year Plans --
and here one might mention especially the steel industry which is benefiting
substantially from German bilateral aid -- this impetus has underlined the
need to achieve more economical use of electricity through the formation of
regional networks. Measures recently taken by the Indian Government to
strengthen the financial and administrative condition of the State Electricity
Boards have enabled the Bank to consider an all-India approach to financing
the country's power transmission program. ^{Last} In June of this year we made a loan
of \$70 million to assist the financing of transmission works ~~forming part of~~
~~the Third Five-Year Plan.~~ Resulting improvements in the ^{organizational} physical structure
and operation of India's regional supply systems will inevitably add to the
effectiveness of bilaterally assisted development projects, in those regions.

I have spoken so far of the Bank's role in the creation of institutions
designed to administer public facilities or development programs. But the

We have also operated

~~Bank's creative bent has also been employed in another most fruitful field.~~

On a number of occasions the World Bank Group has been asked to ~~provide~~ help and advice in establishing development finance companies or in the reorganization of existing institutions. In the past 25 years, the governments of ^{several} ~~an increasing~~ number of less developed countries have created, promoted or encouraged the organization of institutions to mobilize their resources of capital and channel them into the productive economy. The World Bank Group has, up to now, been primarily concerned with one type of development bank: the development finance company that is entirely or predominantly in private ownership. ~~There was an important role for the Bank to play in the creation of one such institution late in the 1950s.~~ *Let me cite an example.*

In 1956, the Government of Pakistan invited the Bank to send a mission ~~to that country to discuss with Government officials, banks and businessmen a proposal for the establishment of a privately owned industrial credit bank in Pakistan.~~ The Bank's President, Mr. Eugene Black, invited Mr. George Woods, at that time Chairman of the First Boston Corporation, to head a three-man mission. The mission ^{confirmed the} ~~established that there was indeed a need for an entity to assist in the expansion or modernization of small and medium-sized industries and to help create new ones.~~ A Steering Committee of prominent Pakistani industrialists and financiers was formed to carry out the preparatory work necessary to the establishment of an industrial credit bank to be called the Pakistan Industrial Credit and Investment Corporation Limited, or PICIC. World Bank officials worked closely with the Steering Committee, advising on a suitable capital structure for the Corporation and on management questions, and later locating potential foreign investors to take up that portion of the share capital not held by Pakistani investors. A month after the Corporation

was established ~~under Pakistani law~~, in November 1957, the remainder of the shares, through a public offering, was sold to British, American and Japanese investors. The following month, the Bank agreed to lend PICIC \$4.2 million for use in meeting the foreign exchange requirements of industrial enterprises to be financed by the Corporation. This was to be the first of a series of

Bank loans to PICIC which to date have amounted to a total of \$109.2 million.

Under its aid program, Germany has lent more than DM 100 million to PICIC, and loans have also been made by Japan, France, the United Kingdom and the United States.

As a major source of foreign exchange for private industry, PICIC has made a significant contribution to the industrial growth of Pakistan. It has not only lent direct to industry, but has also taken participations in share capital and underwritten new offerings of securities to the public.

The International Finance Corporation, which holds 5% of PICIC's share capital, now acts on behalf of the World Bank Group in the field of development finance companies. It is a shareholder in ¹⁶ such institutions ~~in 12 countries~~ and several of its operations have involved the provision, together with European, American and Japanese interests, of share capital to new institutions or to institutions that have been reorganized. ~~In the Philippines, for example, IFC and the World Bank assisted in 1963 in the establishment of the Private Development Corporation of the Philippines, amongst whose foreign shareholders is the Deutsche Bank, whose distinguished Speaker, Dr. Abs, we are all looking forward to hearing later today.~~

Many of you will know that one of the most
~~I need scarcely remind this audience gathered here that one of the most~~
frustrating of problems facing go-ahead industrialists in the developing world is the relatively underdeveloped state of local capital markets. Development finance companies, ~~such as those which the World Bank Group has helped to create,~~ can do much to help strengthen markets and fill in some of the gaps through provision of equity capital and the underwriting of public offerings of

corporate securities. By providing ^{about \$450} more than ~~\$420~~ million to ²¹ institutions of this kind in ¹⁹ countries, ^{the Bank Group} IFC is actively supporting their efforts. But, as my last case history, I should like to tell you of one of ~~a number of~~ instances in which ^{the Group, acting through} IFC has given a more direct form of support to the development of a local capital market, and to the broadening of the ownership of industry.

~~To date, IFC has made standby and underwriting commitments totaling \$16.5 million in six countries, and the largest single commitment made by the Corporation was in the form of an agreement to underwrite a new share issue made in 1964 by the leading privately-owned steel company in Mexico, Fundidora. The history goes back to 1962 when Fundidora was badly in need of \$5 million in new capital. Six years previously the company had launched a program to increase steel ingot capacity and to enter into the production of flat steel. The program, which was costing almost \$100 million, and was designed to bring Mexico close to self-sufficiency in steel production, was all but completed when the urgent need for new capital arose.~~

^{to date}

^{at the end of a six-year expansion program,}

A syndicate of Mexican bankers, interested in helping the company, calculated that all that could be raised in the Mexican capital market was \$1 million, ~~\$4 million short of what was needed.~~ This was a serious blow to the company which had no wish to invite ⁱⁿ a foreign steel manufacturer ~~to buy into the company.~~ At this point IFC came to the rescue and agreed to buy \$1 million worth of stock from the company and at the same time to arrange an underwriting for the additional \$4 million in partnership with the Mexican banks. Under the agreement, IFC was risking having to take up 75% of the \$4 million commitment if the Mexican banks proved correct in their assessment. By the time the public offering was made, IFC had persuaded two banking houses in New York.

~~Kuhn, Loeb, and Morgan Guaranty International~~, and one in Switzerland, ~~Handelsfinanz~~, to take up \$1 million worth of its commitment. This left IFC with a commitment of \$2 million, 60% of which it was able to sell in Mexico when the books were opened. After a few months IFC was able to sell off the ^{remainder} remaining \$800,000 all on the Mexican market.

Just two years later, Fundidora launched a new \$50 million expansion program with the help of a ~~\$28 million~~ loan from the Export-Import Bank. The condition of the loan was that the company should put up \$10 million out of its own earnings and raise the remaining \$12 million in the local capital market. Here was another Bank encouraging the expansion of the local capital market. Clearly this was a case for another IFC underwriting operation. The \$12 million offering was by far the largest public offering ever made to private stockholders in Mexico. The Mexican banks agreed to take 40% of the offering leaving IFC with a commitment of \$7.5 million, the largest commitment that IFC has ever made. But by the time the books opened, the Mexican banks had increased their commitment to 50%, and the three banking houses which had participated in the 1962 underwriting took up 44%, leaving IFC with the remaining 6%. The entire offering was taken up by Mexican investors within 10 days of opening.

These essentially creative operations, whether they be the establishment of a public authority or the strengthening of a local capital market, can have a stimulating effect upon the economy of a developing country out of all proportion to the actual sum of ^{money} development finance involved. The development of these institutions at key points in the economy is as essential a prerequisite of orderly and sustained growth as the creation of sound political institutions is essential to the pursuit of democratic government. As Benjamin Disraeli

once said: "Individuals may form communities, but it is institutions alone that can create a nation."

I should like especially to emphasise that the Bank's interest in the institutions that it has helped to develop or improve does not end with the signing of a loan, nor even with the completion of a project or program. ~~The Bank's interest is essentially a continuing one for the institution in question is most unlikely to be a once-and-for-all client.~~ We follow up on our work not just as bankers anxious to protect a substantial commitment, but just as importantly as development specialists anxious to see that the institution and its operations make ^a ~~the~~ continuing and desired contribution to the strengthening of the economy ~~that justifies the incurring of the debt.~~ Through 13 years and, so far, three loans, we have maintained our close interest in the operations of Ethiopia's Telecommunications Board. Our interest in PICIC has continued through 9 years, 6 Bank loans ^{an IFC subscription to share capital,} and 3 joint IFC-PICIC investments in Pakistani industry. The Bank has been associated with Uruguay's livestock

development for 15 years. And in every case the interest continues. *Development finance is not a once-and-for-all shot in the arm. You have to stay with it for years, as these examples show, and cope with all the setbacks, disappointments and frustrations that characterize the development process.*

Mr. Chairman, this brief survey of a few of the increasing number of ways in which the World Bank Group is seeking to strengthen the economies of range and complexity of this business of development finance. It is an exacting profession, as we know well from our successes and failures over 20 years. But we have now built up an international staff -- 67 different nationalities are represented -- of considerable professional competence and with wide experience all over the world. less than 500. Today it numbers over 11,000 -- half that number comprising the professional staff -- and it is still growing.

The Bank is not bound to any quota system in its recruitment of an international staff, a freedom that greatly facilitates the search for the best men and women available. Nonetheless, being an international institution, the Bank

~~As anxious that its staff should be as broadly representative as possible of its world-wide membership. There are, in fact, 67 different nations represented on the staff.~~

This is one and the same for both
~~The staff of the Bank and IDA are one and the same -- logically enough since the operations of the two institutions differ only in the terms of their lending -- and it is a staff of considerable experience. The variety of professional qualifications reflects the range of skills required for the Bank Group's operations: economics, engineering, accountancy, law, public administration, physical and social sciences, agronomy, and a variety of other disciplines, all of them having their place in the business of development finance.~~

source of their funds and the
we process IDA credits and Bank loans in precisely the same way and apply the same
criteria to both.

We therefore seek out

~~Men of experience from many professions, are therefore sought: amongst those recruited to the Bank during the past twelve months were the Director of Kenya's Land Settlement Department, the Managing Director of the East African Power and Light Company, the Commissioner of Agriculture and Forestry for the Taiwan Provincial Government, the Head of the Foreign Building Section of the German Federal Ministry of Property, a former Economic Adviser to the Prime Minister of Israel, the Director of the Central Water and Power Commission in New Delhi, the Managing Director of the Investment Company of Nigeria, the Research Director of the Institute of Applied Economic Science in Paris -- one could continue, for there are many more.~~

but Professional expertise alone does not equip a man fully for work with the Bank. We select those whom we feel have sufficient flexibility of mind and outlook to enable them to adapt and broaden their expertise to meet the challenge and demands of this new technology of development. The staff of the Bank needs to know how to adapt technical knowledge for use in pre-technical societies. Building roads in Guinea is not the same as building roads in Germany, and what stimulates Denmark's economy won't necessarily work for

Dehomey. Many of the past failures in international development have resulted from the aid-givers inadequate understanding of the environment in which the development is being promoted. This is a lesson which, I believe, the World Bank has learned well. *is constantly having to learn.*

As well as recruiting those already proven in a particular profession, we are also bringing to the Bank each year a carefully selected group ~~of recent undergraduates from universities and equivalent institutions in member countries~~ who ~~would be~~ ^{will} capable of growing into high positions in the Bank. The 51 young men, ~~seven of whom are German~~, who have been appointed to date to what we call the Junior Professional Program ^{include 7 Germans,} have an average age of 27 and come from 27 different countries. Almost all hold a university degree at the Master's level, and many hold ^a the Doctorate. During a probationary period of 18 months they are ^{trained} employed at the Bank's headquarters in Washington and receive a broad education in the affairs of the Bank. The operation of this program, which was instituted in 1963, ^{is} enabled ^y the Bank to build up a cadre of exceptionally able ^{people} young men who expect to spend ^{their} a working ^{lives} life-time in what one can now justifiably refer to as the development finance profession. This does not mean that the recruiting of older men and women from the professions is diminishing ~~the need for them is constantly growing as the Bank's work expands.~~ But by blending the broadly educated younger men of promise with the technically qualified men of experience, the Bank ^{tries to ensure that} ~~can maintain and expand~~ a well balanced staff ^{will be properly} equipped to meet the complex demands of the business.

At the beginning of this lecture, I mentioned that financial institutions such as the World Bank retain international support only so long as their actual performance inspires trust and confidence. I have sought, ~~in the course of this talk,~~ to describe some of the ways in which the Bank works to ensure the effectiveness of its financing operations, and I have commended our staff

to you because ^{it is} upon their skill and dedication ^{that} the ^{quality} ~~success~~ of our operations depends. Friedrich Ebert, in whose honor we are gathered here, was described by one of his biographers in these words: "He had faith in ideas and ideals, but he believed in action and organization as well." Ideas, ideals, action and organization all play vital roles in the war on underdevelopment, and I would certainly like to think that the great German democrat, with his passion for improving the lot of his fellow men, would approve of what we, and all others engaged in development finance, are trying to do to bring a fuller and better life to the less privileged nations of this earth.

Julian Grenfell - November 19, 1965

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MR. GEOFFREY WILSON

ADDRESS TO THE FRIEDRICH EBERT FOUNDATION

BERGNEUSTADT, DECEMBER 7TH, 1965

Mr. Chairman:

I am very grateful that you have invited the World Bank to participate in this ^{meeting} ~~International Congress of the Friedrich Ebert Foundation~~. Though many of us here do business together, it is not so often that we have an opportunity to gather in any number to share our thoughts on issues of common interest in the field of finance and development. For affording us this opportunity we are indeed indebted to the ^{Friedrich Ebert} ~~Foundation~~ and its officers.

I was sorry that I had to miss yesterday's ^{lectures} ~~on the function of any vote of their stage. To pick up any of the questions that were aimed at me~~ the European banks, and of the European Investment Bank in particular, in ^{and I do not propose, at} ~~yesterday afternoon. But I do want to stress that~~ the field of European integration and development aid. Ambassador Touré focused attention on the need for development finance in the countries associated with the European Economic Community. The World Bank shares with the European Investment Bank a desire to assist in the steady economic growth of ^{associated with the Community} ~~these~~ developing countries and looks forward to cooperating with the European Investment Bank both there and in other areas of the developing world. ^{our} ~~Up to the end of September of this year~~ the World Bank and its affiliate, the International Development Association, has made 16 loans and credits with a total value of \$340 million to African countries associated with the E.E.C. We have under consideration financing for another 20 projects in these countries. Furthermore we have financed five technical assistance studies and three more are in the pipeline. As part of [the World Bank Group's] world-wide engagement in development financing, we ~~certainly~~ look forward to continuing in our role

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MR. GEOFFREY WILSON

ADDRESS TO THE FRIEDRICH EBERT FOUNDATION
BERGHEIMSTADT, DECEMBER 29, 1965

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Furthermore we have financed five technical assistance studies and even more are in the pipeline. As part of the World Bank Group's world-wide engagement in development financing we look forward to continuing in our role

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as one of the several sources of finance for strengthening these developing economies.

The World Bank's engagement in development assistance is, as I have said, world-wide, and perhaps it would be useful if I were to say something about the nature and the scope of its activities. The Bank itself, the largest unit of the Group, now has a membership of 103 countries and a subscribed capital amounting to a little ^{about \$22 billion -} over ~~\$21½~~ billion, one-tenth of which is actually ^{i.e. \$2 billion.} paid in. Since going into business in 1946, the Bank has made loans in 77 countries totaling ~~\$8.8~~ ^{\$9} billion, and during the last fiscal year, we reached the \$1 billion mark for the first time. Our lending has concentrated on projects that are basic to economic growth, especially the development of electric power systems, roads, railways and ports which has accounted for two-thirds of our lending. The balance has been for agriculture with the emphasis on irrigation, for industry, especially steel production and development finance companies, and for communications, education, water supply and general development purposes.

In order to lend, ^{we have of course} ~~the Bank has~~ to borrow, and in the last fiscal year we returned to the private capital markets here in Germany, in Canada, Switzerland and the United States with public borrowings equivalent to \$300 million, raising our outstanding funded debt to just under \$2-3/4 billion. But the Bank's affiliate, the International Development Association, ^{lends on terms which mean that it} cannot go to ^{and it.} the capital markets for funds ~~but~~ ^(IDA) relies on its member governments for usable resources. IDA was established to meet the situation of those developing countries whose need for, and ability to make good use of, outside capital is greater ^{- we recognize that is a debt problem.} than their ability to service conventional loans. Consequently, the terms of

~~shall call it this~~
henceforth

IDA's credits, 50 years and interest-free, are designed to impose the smallest possible burden on the borrowing country's balance of payments. In the five years of its existence, it has made credits totaling just under \$1.2 billion. By next summer, it will have committed the funds so far made available to it. By then, the member governments, among the principal of them Germany, will have to decide the scale on which they want IDA to meet the demand in the developing world for the type of financing it offers, and to replenish its resources accordingly.

The International Finance Corporation, ^(IFC) which concentrates on the development of private enterprise, has a current membership of ⁸⁰ ~~72~~ countries and a share capital of \$99 million, and has so far made investment commitments totaling over \$138 million in 32 countries. This reflects the extent to which the Corporation has been successful in revolving its investments, thereby increasing the funds available to undertake new commitments.

Of the work of all three institutions in the World Bank Group, I shall have more to say in a moment, but first I want to acknowledge the considerable strength that our host country, Germany, has brought to them. Germany became a member of the World Bank 13 years ago and later became a founder member of both the IFC and IDA. Through her subscriptions she has made available *or pledged* a total of ^{about 1000} ~~just over~~ DM ~~1,000~~ million in fully convertible, interest-free funds, ^{including} ~~with a further~~ DM 290 million ~~shortly to be added under an earlier pledge to IDA.~~ Germany has also been the source of DM ^{3,200 (out of 4,900 million)} ~~6,624~~ million of Bank funds borrowed from various German sources, but primarily from the Deutsche Bundesbank. These borrowings have included DM bonds publicly issued in the German market, DM and US\$ notes and bonds privately placed here, and US\$ bonds publicly placed in the United States. These borrowings have, of course,

been mutually advantageous; the Bank has paid DM 640 million in interest to the holders of ^{the} DM notes and bonds, ~~and the U.S. dollar bonds, and notes privately placed in Germany.~~ German investors have also purchased parts of Bank loans to member countries totaling the equivalent of DM 68 million, thus freeing that amount of additional money for relending by the Bank.

Germany gets other advantages from these funds as well. Through the Bank's system of international competitive bidding, German industry has earned DM 2,192 million in payment for goods supplied to the Bank's borrowers, a sum more than five times the amount of Germany's paid-in subscription to the Bank. For the last ten years German sales financed by the Bank have averaged more than DM 192 million per year. There is a further DM 134 million worth of orders won from recipients of IDA credits. The competitive successes of German industry are bringing ~~the~~ ^{very} country a healthy return on her contribution to development financing through the World Bank institutions.

Mr. Chairman, the measure of confidence placed in the World Bank and its affiliates, both by those who are primarily ^{lenders} ~~donors~~ and those who are primarily ^{our} ~~recipients~~ ^{borrowers}, depends on the effectiveness of its actual performance. In ~~the~~ Bank's view, effective performance means the financing of projects that will achieve a constructive result in the economy of the borrowing country. Hence the emphasis I mentioned earlier on the development of power systems and transportation -- facilities which, when operated efficiently, lead to the greater production and better organized distribution of useful goods, a growth of savings and a strengthening of the international trade position, all of which will help raise living standards in the borrowing country.

But the Bank has found that effective financing is often blocked by the non-existence of suitable institutions to manage and operate the facilities

that a loan is intended to finance. How effective an investment is the financing of a new port if there is no proper port authority to manage it? How can improvements in farming methods be effectively financed through rural credit systems if there are no proper credit institutions available to the farming community? The examples are numerous, and time and time again we have come up against this problem.

We have sought to contribute to its solution by assisting our members, wherever and whenever possible, in the process of institution-building. In Latin America, for example, we have often been asked to make electric power loans where no proper electricity authority or company existed. In these cases, ^{- and others -} the power business, not uncommonly, was being run by political bodies, there was no planning for future needs, revenue from sales simply went into general municipal revenues and nobody knew whether the business was paying its way or not. In cases of this kind the Bank has insisted on the creation of a proper power entity, staffed with managerial and technical personnel with adequate authority, and charged not only with the day-to-day administration of power supply, but also with the planning of an investment program to cover expansion.

Amongst the Bank's clients in Latin America are 32 organizations providing electric power, developing and operating ports or railways, or performing some other specific economic function. Of these 32 entities, 28 were organized or brought into operation with the help of the Bank, and together they have received over \$1 billion of Bank loans, about half of all our lending in Latin America.

[And as I speak to you now, yet another such entity is in the process of being established -- an independent port and navigation authority in Paraguay -- soon to be counted amongst our clients in the Western Hemisphere.]

This aspect of the Bank's business is not as widely known and understood as it should be. And yet it plays a vital part in ensuring the effectiveness of many of our operations. Consider, for instance, the case of Ethiopia's telecommunications system which had been ~~almost entirely~~ crippled during World War II. In 1950, fewer than 100 communities could be reached by telephone and there were less than 2,000 telephones to serve a population estimated at between 12 and 16 million. This lack of ~~proper~~ communications was frustrating Ethiopia's development efforts. While the government was making great efforts to expand its export trade ~~generally~~, the lack of ~~proper~~ communications was presenting serious problems. Producers were not able to get ~~the~~ knowledge of market conditions ~~that they needed~~; shippers and traders had difficulty in keeping track of goods moving on the country roads, and the government was hampered in its efforts to communicate with the country's outlying centers. In 1950 the government of Ethiopia decided to seek the help of the World Bank.

Ethiopia was no stranger to ^{us} ~~the Bank~~. She was already negotiating a \$5 million loan for the rehabilitation and maintenance of the country's road system, a project which occasioned the creation of the Imperial Highway Authority, and another one of \$2 million to provide foreign exchange for projects to be financed by a new development bank. The World Bank fully recognized the benefits to the Ethiopian economy that an efficient telecommunications system would bring, but past history suggested ~~strongly~~ that what was needed was a telecommunications authority to build and manage an up-to-date network. ^{We} ~~The Bank~~ therefore informed the government that ^{we} it would finance the foreign exchange cost of modernizing and expanding the system provided that the government establish a proper authority, and, in consultation with the Bank, select a suitable management.

Two years later
In ~~October 1952~~, the Imperial Board of Telecommunications of Ethiopia was established to build, operate and maintain all ^{the} public telecommunication facilities ~~of the Empire of Ethiopia other than military~~. Consultations with the Bank resulted in the provision of key management staff by the Swedish Telephone and Telegraph Administration. Once the Board had been organized and had taken over the operation of the existing facilities, the staff, including a nucleus of 11 Swedish engineers in key positions, set to work on the program, financed by an equivalent of \$1.2 million in local currency from the Ethiopian government, and a loan of \$1.5 million from the ~~World~~ Bank to cover the foreign exchange costs. As an adjunct to the program, the Board set up a Telecommunications Institute with the aid of the United Nations Technical Assistance Board and the International Telecommunications Union, and set about training Ethiopians for the eventual takeover of positions then held by foreigners. As a result, an increasing number of management and senior staff positions have been assumed by Ethiopians, and today, with the exception of the General Manager, the four remaining foreigners serve as advisers.

Early in
~~By the end of the first quarter of 1956~~, the project was completed. Considerable ~~expansion and improvements~~ had been made to the local telephone service at Addis Ababa and to the interurban system of telephone and telegraph communications by wire and radio. Finally, a more efficient radio telephone and telegraph service now linked Addis Ababa to the outside world.

But the story does not end there. In September 1961, the government requested a further loan so that the Imperial Board's 1962-64 program of expansion could get under way, and eight months later a loan of \$2.9 million was signed. When that program was virtually completed, Ethiopia turned once more to the Bank for a loan to help finance the 1965-67 program. Three weeks ago today,

the Bank's Executive Directors approved this third loan for a sum of \$4.8 million.

The Bank, as you are aware, is a careful lender. That is why it insisted on and participated in the creation of an authority to provide the basis for the efficient planning, financing, construction and operation of Ethiopia's telecommunications. The Board had to face many difficulties but it has, on the whole, performed well, and gives the assurance that further extensions and improvements will be made to meet Ethiopia's needs. That is what, at the Bank, we ^{mean by} call effective financing.

Assistance in the creation of institutions and authorities related to basic infrastructure facilities has played a major role in Bank lending, and as an example of the impact that the successful operations of a new institution can have upon the livelihood of a community, the story of the Uruguay livestock venture is well worth the telling.

Fifteen years ago, the Government of Uruguay invited the Bank and the FAO to send a joint mission ~~to the country~~ to undertake a survey of ~~its~~ agricultural problems and requirements and to make recommendations that would furnish a basis ^{for} ~~upon which~~ an agricultural development plan, ~~could be drawn up~~. Animal production based on grassland is the backbone of Uruguay's economy. Wool, meat, milk and byproducts represent about three-quarters of the total value of agricultural output and provide most of the country's foreign exchange earnings. Amongst the mission's ¹ ~~report's~~ recommendations, special attention was drawn to the need for a comprehensive livestock development program.

The Bank was anxious to help in the implementation of a program along ^{se} the lines ~~that the report suggested~~. But its success would depend on ^{overcoming} ~~the extent~~ to which the conservatism of the farmers, ~~could be broken down~~. A deep rooted

reluctance to abandon traditional beliefs and methods and to accept ~~radical~~ changes characterized the farmers of Uruguay as much as farmers anywhere else. What was needed, then, was a demonstration to the nation's livestock farmers of the advantages of modern techniques of pasture improvement and management.

The first step, would have to be the creation of a body that would ~~be~~ ~~responsible for selecting~~ farmers to participate in the demonstration, the provision of technical assistance, the recommendation of approved farm development plans for the necessary loan assistance, and for supervision and execution of each farm program. The Bank therefore offered its assistance in the establishment of such a body and, conditional upon its establishment by the Uruguay Government, expressed its readiness to negotiate a loan. The ensuing preparations took several years to complete. There were technicians to be trained in the new methods, and, for a variety of reasons, the necessary legislation establishing the administrative body met with frequent delays. But eventually, in 1958, a Livestock Plan was approved and a body ~~entitled~~ ~~The Honorary Commission~~ established by act of Parliament to administer it. The Bank now invited the government to negotiate a loan. The total cost of the three-year program was estimated at the equivalent of \$11 million, and the Bank agreed to a loan of \$7 million to cover most of the foreign exchange requirements for that period. Under the program, technical and financial assistance was to be provided to livestock owners on a pilot group of 600 farms. Pastures and soil fertility were to be improved by fertilizing and reseeded. Farms were to be subdivided with fencing to permit controlled rotational grazing, and improved control of livestock diseases was among the features of the program, and the ~~Furthermore, finance to put the improved practices into effect would also covered~~

extension services for the participating farmers.

The results ~~of this pilot project~~ turned out to be more impressive than had been expected. Farmers who eventually participated numbered 1,400 as opposed to the original target of 600. Throughout the country's farming community, word spread of the three to four-fold increases in livestock production. It was therefore only natural that the Bank should participate in the financing of the next stage of the program. In March of this year a loan equivalent to \$12.7 million was approved. The implementation of this second stage, together with the achievements during the first stage, will result in a total of $1\frac{1}{2}$ million acres of improved grassland. There are still 37 million acres of native grassland capable of similar improvement, but by improving part of a large number of farms rather than the whole of a few, a quarter of the grassland farmers of Uruguay will, within three years, have acquired the experience to continue the development of their own properties and to extend advice to their neighbors.

I have recounted the circumstances in which two institutions came into being, in Ethiopia and Uruguay, because they focus attention on one of the major stumbling blocks encountered in development financing -- the lack of suitable machinery to handle new development enterprises, on the assumption that finance is forthcoming. ~~But~~ ^The Bank has found the discussion of a loan a particularly suitable occasion on which to assist in the creation or improvement of institutions, ~~at key points in the economy.~~

Such activities aim at contributing to the effectiveness of financing from ~~other~~ ^{other} sources as well as the World Bank Group. The effectiveness of bilateral aid from donor countries such as Germany can be greatly enhanced by the creation of a framework for finance. The Bank and IDA's assistance to

the development of regional power transmission networks in India is opening up new opportunities for the effective application of foreign financial aid from a variety of sources. The impetus being given to industrial expansion in India's successive Five-Year Plans -- and here one might mention especially the steel industry which is benefiting substantially from German bilateral aid -- this impetus has underlined the need to achieve more economical use of electricity through the formation of regional networks. Measures recently taken by the Indian Government to strengthen the financial and administrative condition of the State Electricity Boards have enabled the Bank to consider an all-India approach to financing the country's power transmission program. Last June we made a loan of \$70 million to assist the financing of transmission works, ~~forming part of the Third Five Year Plan.~~ Resulting improvements in the organizational structure of India's regional supply systems will add to the effectiveness of bilaterally assisted development projects. ~~in these regions.~~

I have spoken so far of the Bank's role in the creation of institutions designed to administer public facilities or development programs. But ~~the~~ ^{we have} ~~Bank's creative bent~~ ^{also operated} has also been employed in another most fruitful field. On a number of occasions the World Bank Group has been asked to help in establishing development finance companies or in the reorganization of existing institutions. In the past 25 years, the governments of several less developed countries have created, promoted or encouraged the organization of institutions to mobilize their resources of capital and channel them into the productive economy. The World Bank Group has, up to now, been primarily concerned with one type of development bank: the development finance company that is entirely or predominantly in private ownership. Let me cite an example.

In 1956, the Government of Pakistan invited the Bank to send a mission to discuss with Government officials, banks and businessmen a proposal for the establishment of a privately-owned industrial credit bank. The Bank's President, Mr. Eugene Black, invited Mr. George Woods, at that time Chairman of the First Boston Corporation, to head a three-man mission. The mission confirmed the need for an entity to assist in the expansion or modernization of small and medium-sized industries and to help create new ones. A Steering Committee of Pakistani industrialists and financiers was formed to carry out the preparatory work necessary to the establishment of an industrial credit bank to be called the Pakistan Industrial Credit and Investment Corporation Limited, or PICIC. World Bank officials worked closely with the Steering Committee, advising on a suitable capital structure and on management questions, and later locating potential foreign investors to take up that portion of the share capital not held by Pakistani investors. A month after the Corporation was established, in November 1957, the remainder of the shares, through a public offering, was sold to British, American and Japanese investors. The following month, the Bank agreed to lend PICIC \$4.2 million for use in meeting the foreign exchange requirements of industrial enterprises to be financed by the Corporation. This was to be the first of a series of Bank loans to PICIC which to date have amounted to a total of \$109.2 million. Under its aid program, Germany has lent more than DM 100 million to PICIC, and loans have also been made by Japan, France, the United Kingdom and the United States. As a major source of foreign exchange for private industry, PICIC has made a significant contribution to the industrial growth of Pakistan. It has not only lent direct to industry, but has also taken participations in share capital and underwritten new offerings of securities to the public.

The International Finance Corporation, which holds 5% of PICIC's share capital, now acts on behalf of the World Bank Group in the field of development finance companies. It is a shareholder in 16 such institutions and several of its operations have involved the provision, together with European, American and Japanese interests, of share capital to new institutions or to institutions that have been reorganized.

Many of you will know
~~I need scarcely remind this audience~~ that one of the most frustrating of problems facing go-ahead industrialists in the developing world is the relatively underdeveloped state of local capital markets. Development finance companies, ~~such as those which the World Bank Group has helped to create,~~ can do much to help strengthen markets and fill in some of the gaps through provision of equity capital and the underwriting of public offerings of corporate securities. By providing about \$450 million to 21 institutions of this kind in 19 countries, the Bank Group is actively supporting their efforts. But, as my last case history, I should like to tell you of one instance in which the Group, acting through IFC, has given a more direct form of support to the development of a local capital market, and to the broadening of the ownership of industry.

~~To date, IFC has made standby and underwriting commitments totaling \$16.5 million in six countries, and its largest single commitment~~ ^{*to date*} was in the form of an agreement to underwrite a new share issue made in 1964 by the leading privately-owned steel company in Mexico, Fundidora. The history goes back to 1962 when Fundidora, at the end of a six-year expansion program, was badly in need of \$5 million in new capital.

A syndicate of Mexican bankers calculated that all that could be raised in the Mexican capital market was \$11 million. This was a serious blow to the

company which had no wish to invite ⁱⁿ a foreign steel manufacturer, ~~to buy into the company~~. At this point IFC came to the rescue and agreed to buy \$1 million worth of stock from the company and at the same time to arrange an underwriting for the additional \$4 million in partnership with the Mexican banks. Under the agreement, IFC was risking having to take up 75% of the \$4 million commitment if the Mexican banks proved correct in their assessment. By the time the public offering was made, IFC had persuaded two banking houses in New York and one in Switzerland to take up \$1 million worth of its commitment. This left IFC with a commitment of \$2 million, 60% of which it was able to sell in Mexico when the books were opened. After a few months IFC was able to sell off the remaining ~~\$800,000~~ ^{for} all on the Mexican market.

Just two years later, Fundidora launched a new \$50 million expansion program with the help of a ~~\$20 million~~ loan from the Export-Import Bank. The condition of the loan was that the company should put up \$10 million out of its own earnings and raise the remaining \$12 million in the local capital market. Here was another Bank encouraging the expansion of the local capital market. Clearly this was a case for another IFC underwriting operation. The \$12 million offering was by far the largest public offering ever made to private stockholders in Mexico. The Mexican banks agreed to take 40% of the offering leaving IFC with a commitment of \$7.5 million, the largest commitment that IFC has ever made. But by the time the books opened, the Mexican banks had increased their commitment to 50%, and the three banking houses which had participated in the 1962 underwriting took up 44%, leaving IFC with the remaining 6%. The entire offering was taken up by Mexican investors within 10 days of opening.

These essentially creative operations, whether they be the establishment of a public authority or the strengthening of a local capital market, can have

a stimulating effect upon the economy of a developing country out of all proportion to the actual sum of money involved. The development of these institutions is as essential a prerequisite of orderly and sustained growth as the creation of sound political institutions is essential to the pursuit of democratic government. As Benjamin Disraeli once said: "Individuals may form communities, but it is institutions alone that can create a nation."

I should like especially to emphasize that the Bank's interest in the institutions that it has helped to develop or improve does not end with the signing of a loan, nor even with the completion of a project or program. Our interest is a continuing one, ~~for the institution in question is unlikely to be a once-and-for-all client.~~ We follow up on our work not just as bankers anxious to protect a substantial commitment, but just as importantly as development specialists anxious to see that the institution and its operations make ^a ~~the~~ continuing contribution to the strengthening of the economy. ~~that justifies the borrowing.~~ Through 13 years and, so far, three loans, we have maintained our close interest in the operations of Ethiopia's Telecommunications Board. Our interest in PICIC has continued through 9 years, 6 Bank loans, an IFC subscription to share capital, and 3 joint IFC-PICIC investments in Pakistani industry. The Bank has been associated with Uruguay's livestock development for 15 years. And in every case the interest continues. Development finance is not a once-and-for-all shot in the arm. You have to stay with it for years, as these examples show, and cope with all the setbacks, disappointments and frustrations that characterize the development process.

Mr. Chairman, this survey of some of our activities illustrates the range and complexity of this business of development finance. It is an exacting profession, as we know well from our successes and failures over 20 years. But

we have now built up an international staff -- 67 different nationalities are represented -- of considerable professional competence and with wide experience all over the world. This staff is one and the same for both the Bank and IDA -- logically enough since the two institutions differ only in the source of their funds and the terms of their lending -- and we process IDA credits and Bank loans in precisely the same way and apply the same criteria to both.

The variety of professional qualifications reflects the range of skills required for the Bank Group's operations: economics, engineering, accountancy, law, public administration, physical and social sciences, agronomy, and a variety of other disciplines, all of them having their place in the business of development finance. We therefore seek out men of experience from many professions, but professional expertise alone does not equip a man fully for work with the Bank. We select those whom we feel have sufficient flexibility to adapt their expertise to meet the demands of this new technology of development. The staff of the Bank needs to know how to adapt technical knowledge for use in pre-technical societies. Building roads in Guinea is not the same as building roads in Germany, and what stimulates Denmark's economy won't necessarily work for Dahomey. Many of the past failures in international development have resulted from the aid-givers inadequate understanding of the environment in which the development is being promoted. This is a lesson which the World Bank is constantly ^{having to} learning.

As well as recruiting those already proven in a particular profession, we are also bringing to the Bank each year a carefully selected group who will grow into high positions in the Bank. The 51 who have been appointed to date

to what we call the Junior Professional Program include 7 Germans, have an average age of 27 and come from 27 different countries. Almost all hold a university degree at the Master's level, and many hold a Doctorate. During a probationary period of 18 months they are trained at the Bank's headquarters in Washington and receive a broad education in the affairs of the Bank. The operation of this program, which was instituted in 1963, is enabling the Bank to build up a cadre of exceptionally able people who expect to spend their working lives in what one can now justifiably refer to as the development finance profession. This does not mean that the recruiting of older men and women from the professions is diminishing. But by blending the broadly educated younger men of promise with the technically qualified men of experience, the Bank tries to ensure that its staff will be properly equipped to meet the complex demands of the business.

At the beginning of this lecture, I mentioned that financial institutions such as the World Bank retain international support only so long as their actual performance inspires trust and confidence. I have sought to describe some of the ways in which the Bank works to ensure the effectiveness of its financing operations, and I have commended our staff to you because ^{it is} upon their skill and dedication ^{that} ^{quality} ~~the success~~ of our operations depends. Friedrich Ebert, in whose honor we are gathered here, was described by one of his biographers in these words: "He had faith in ideas and ideals, but he believed in action and organization as well." Ideas, ideals, action and organization all play vital roles in the war on underdevelopment, and I would certainly like to think that the great German democrat, with his passion for improving the lot of his fellow men, would approve of what we, and all others engaged in development finance, are trying to do to bring a fuller and better life to the less privileged nations of this earth.

Keep

Mr. Wilson's Speech for Italy.

March 14, 1966, Milan

March 16, 1966, Genoa

March 18, 1966, Rome

Society for International Organizations

Mr. Chairman:

I should like, at the outset, to thank you warmly for this opportunity to speak to this distinguished audience about the role of the World Bank and its two affiliates in the financing of economic development. In a few month's time, the Bank will have been in business for twenty years. For nineteen of those years, Italy has been amongst our members, and her association with the work of the World Bank Group during these years has been both full and active. And, as I think my remarks will confirm, it has been mutually advantageous.

Perhaps I should begin by reminding you briefly what the World Bank Group consists of. The Bank itself, officially called the International Bank for Reconstruction and Development, was founded in 1944 at the Bretton Woods Conference, the Conference that also produced the International Monetary Fund. As its official name suggests, this new international investment institution was to start its business life by helping to finance the reconstruction of post-war Europe. When the Americans stepped in with the Marshall Plan to take over a task that was ^{some seem to be} ~~clearly~~ too big for any one institution to handle, the Bank was able to turn its attention to its other responsibility, the financing of economic development. Thus, for nearly two decades, we have been making development loans to our members, most of them for such basic facilities as power, transportation, heavy industry, irrigation and land reclamation, which are the foundations of economic growth.

The older of the Bank's two affiliates is the International Finance Corporation. The IFC was established in 1956 to supplement the activities of the Bank by encouraging the growth of productive private enterprise in the developing world. In the less developed of its 81 member countries, it makes share as well

as loan capital available to the companies it finances, and unlike the World Bank, its investments are made without government guarantee. ~~It also seeks the participation of private investors in the capital-exporting countries in its investments, and makes standby and underwriting commitments in support of public offerings of corporate securities.~~ Its capital is just over \$99 million -- to which Italy has subscribed \$2 million -- but its commitments over the eight years of its existence have exceeded \$150 million, reflecting the extent to which it has been able to revolve its investments and increase its available funds. In order to put still more financial resources at the disposal of IFC, member governments of the World Bank and IFC recently took steps to permit the Corporation to borrow from the Bank, in effect making it possible for the Corporation's resources for lending to be increased by about \$400 million.

The younger of the two affiliates is the International Development Association, known as IDA. I shall have more to say about this institution later. Let me, at this stage, merely identify it as the Bank's soft loan agency, created in 1960 to make loans to developing countries for the same purposes as those for which Bank loans are made, but on conditions that will lay a far lighter burden on the ^{borrowing country's} ~~borrower's~~ ^{balance of payments.} ~~debt servicing capacity.~~

^{Now} Having refreshed your memory of the ~~three institutions that make up the~~ World Bank Group, let me return to the Bank itself to examine its policies and operations in a little more detail.

Representatives of forty-four countries had attended the Bretton Woods Conference. Most of them joined the Bank, although the Soviet Union was one of those that did not. Italy became a member in March 1947, and subsequent accessions, more than thirty of them in the last five years, have brought the

total membership of the Bank to 103 countries. The United States is the Bank's largest shareholder, with nearly one-third of the capital. Then comes Britain, followed by France and Germany. Italy shares eighth place with Japan, and her subscription amounts to \$666 million, the equivalent of rather more than Lit. 416 billion. But members are required to pay in only one-tenth of the subscription. The remainder can be called for by the Bank, but only to meet its liabilities if it ever got into difficulties. Thus Italy has actually paid in \$66.6 million.

This kind of financial assessment on the basis of ability to pay is common enough among international organizations, including most notably the United Nations itself. But a fundamental difference between the Bank and most other international organizations is that voting power over the conduct of the Bank's activities is related to these financial contributions. It is true that even the smallest subscriber gets a minimum number of votes. But the voting power of the smaller shareholders is far outweighed by the big contributors: since the United States alone has almost three-tenths of the votes and the U.K. more than one-tenth, these two, when allied with France, Germany, Canada and, say, Italy, can command a voting majority, should they wish it, over the 97 other countries that are now members of the Bank.

These voting rights are held in the first instance by the Bank's Board of Governors, a body consisting mainly of Ministers of Finance and Governors of Central Banks. The Governors meet only once a year, and they have delegated most of their responsibilities to a working Board of twenty Executive Directors. These Executive Directors, who are based in Washington, direct the general operations of the Bank. Most of them serve full time, and several are also Directors

of the IMF. Five of the Directors are nominated by the five largest shareholders, the U.S., the U.K., France, Germany and India. The remainder represent groups of countries, each group having a sufficient total of votes to provide the Director with an audible voice in the councils of the Bank. Some of the groupings are fairly natural, such as that formed by the five Nordic countries. Some are strangely disparate, like the grouping together of Cyprus, Israel, the Netherlands and Yugoslavia with a Dutchman as their representative. And there is one very large group of fifteen countries, consisting mostly of the recently independent French-speaking West African states, that is represented by our newly-elected twentieth Executive Director, a Mauritanian. Italy is grouped with Spain, Portugal and Greece and is represented by a Spanish Executive Director and his Italian Alternate.

I don't propose to argue any general case for or against this weighted system of voting compared with the more familiar one of "one country, one vote." I can see that in a political organization such as the United Nations General Assembly the system would be very difficult to apply. But in the conduct of an essentially financial institution it works pretty well -- a tribute to the very real harmony that prevails in the Board of Directors and to the relationship that they have built up with the governments they represent, and with the officers with whom they work.

As far as the relationship with governments is concerned, the Executive Directors have tended often to become as much the representatives of the Bank with their countries as they are representatives of their countries with the Bank. Of course, if a particular government has strong views on an issue, the Director it appoints will voice those views. But at the same

time, the weight that individual Directors carry in the Board reflects their experience and judgment, much more than their voting power.)

~~The relationship of the Board to the officers is also very important.~~

The Bank has had a succession of strong and capable Presidents; our current President, George Woods, took office in 1963 in succession to Eugene Black who had been President since 1949. On the whole, both loan and policy proposals considered by the Board are initiated by the officers of the Bank. General policy proposals are discussed in Board meetings until a consensus is reached: there are few formal votes. Proposals for loans and other operations are not brought to the Board until any difficult issues have first been discussed informally, so that the fact that no formal proposals have ever been rejected is not, as it might suggest, evidence that the Board is a mere rubber stamp, but on the contrary shows the close and continuous working relationship between Directors and officers. I know that this is true because I have experienced both sides of this relationship, first as alternate to the U.K. Director, and now as a Vice President of the Bank.

The subscriptions of the Bank's members are of importance as governing the number of votes cast by each country, but their greatest significance is of course that they provide a large portion of the financial resources of the Bank.

Altogether, the paid-in portion of these subscriptions now amounts to ~~\$2,000 million~~, of which roughly \$400 million is still unreleased for lending by the Bank. That leaves ~~rather more than \$1,760 million of capital~~ ^{which is freely available for use in the business} ~~is~~ ^{about} freely available for use in the business. But this is much less than half of the total funds available to us for lending. We draw much more money from other sources: from our borrowings in the market, and from our earnings.

\$1,200 m.

The Bank's outstanding borrowings amount now to some \$2-3/4 billion raised in the capital markets of the world, and most particularly from private investors of the United States and Western Europe. In Western Europe it has made public bond issues in the capital markets of this country, of Austria, Belgium, Britain, Germany, the Netherlands and Switzerland, and we have borrowed privately in these and most other countries of Europe. In 1961 a Bank issue was publicly offered in the Italian investment market. It consisted of Lit. 15 billion, equal to \$24 million, of 5%, 15-year bonds, due in 1976. The Banco d'Italia headed an underwriting syndicate of seven Italian banks through which the offering was made, including the Banco Nazionale del Lavoro, Banco di Napoli, Banco di Sicilia, Banca Commerciale Italiana, Credito Italiano and Banco di Roma. The issue is listed for trading on the Rome and Milan Stock Exchanges. It has been possible for the Bank to raise large sums of money, at interest rates little or no higher than are paid by governments themselves, for two basic reasons. One is the confidence in the Bank that has been engendered by its record of operations over the past twenty years -- a record about which I want to say something in just a moment. The other reason is that investors know that we have available still larger sums which we can call upon to repay our borrowings, should we ever be in difficulty. These sums are of course the portions of our member countries' subscriptions that have not been paid in, but can be made available if we ever need them. The Bank can also call upon some \$600 million from its accumulated earnings on past loans, and like our paid-in capital, these earnings are available to us without cost.

These three sources, capital, borrowings and earnings, make up the main supply of funds for our lending. But we can also use the repayments of principal on earlier loans, and the proceeds from the Bank's sales to financial

institutions in Europe and America of portions of its loans (usually installments that are due to be repaid within a fairly short time). Italian institutions have bought portions of Bank loans amounting to the equivalent of ~~\$139 million~~ ^{\$140m} rather over \$139 million.

Together, these various sources of funds have enabled us to undertake loan commitments of rather more than \$9-1/2 billion. The greater part of ~~this~~ ^{our} development lending has financed the so-called infrastructure projects, which provide the framework supporting the rest of a country's economy, but which generally do not attract private investors. Thus about a third of the total has financed the development of electric power, [including both hydroelectric and thermoelectric projects as well as transmission lines]. To give you an idea of the scope of this power lending, for example: in the fourteen countries in Central and South America where we have lent more than \$1,300 million for power, the projects financed by us have on average amounted to a doubling of their generating capacity as compared with 1948. On a similar scale, another third of our lending has financed railways, roads and ports. Most of the rest has been split between industry and agriculture. The industrial lending has largely gone into heavy industry, such as iron and steel or mining, or has been channeled into development finance companies in the borrowing countries themselves to be passed on to industrial firms whose projects are too small for us to deal with effectively from Washington. Of the range of general industries to which the rest of our industrial lending has gone, most prominent are pulp and paper manufacturing and fertilizer and other chemical industries.

Scale

In recent years we have been placing increased emphasis on helping developing countries to raise their agricultural ^{output} productivity. We are ~~are~~ ^{know well} very conscious of the fact that in many of these countries the agricultural sectors are not

Keeping
~~managing to keep~~ pace with the demands of growing populations and expanding industries. Therefore, ^[as well as] ~~besides~~ continuing our traditional support for ~~such~~ large-scale construction projects ^{as such} [as flood control and irrigation schemes,] we are turning more and more to broad programs of land development comprising many inter-dependent measures in the fields of training and extension work, the provision of farm credit, crop storage, livestock production, transportation and land settlement. The planning and preparation of agricultural projects is a complex process, and the agricultural administrations of most of the developing countries need plenty of advice and assistance. In 1964, the World Bank and IDA reached agreement with the United Nations Food and Agriculture Organization (FAO) ^{here} in Rome on a Cooperative Program designed to expand the range and volume of projects that we could consider for financing. Under the agreement the FAO and the Bank are cooperating in the identification and preparation of projects to the point where they can be considered for financing by the Bank or IDA.

To illustrate the scale - now have more than twice as many projects
~~The Bank's growing involvement in the development of agriculture can best be~~ *under consideration as 2 years ago,*
~~illustrated by comparing the volume of our activities in that field just over~~
~~two years ago with the volume today. At the end of 1963 we had only 7 agricultural projects in the process of being appraised or negotiated, and another 19 in the early stages of preparation. By the end of 1965 we had 25 such projects under negotiation for possible Bank or IDA financing, and another 43 are currently in various stages of identification and preparation.~~

We have concluded an agreement similar to that with the FAO with another United Nations Agency - Unesco. This followed naturally from the Bank's decision to see how it could help in the expansion in the developing world of secondary education, technological and vocational training, and teacher training. ~~Between March 1964 and the end of 1965, we dispatched 72 missions to member countries, 34 of them in cooperation with Unesco, for the purpose of finding, preparing and appraising specific projects. Although this is a new~~

field for us to be working in, ^{but} we have already completed or nearly completed 16 loans and credits totaling nearly \$110 million, and more are on the way.

World Bank lending has been fairly evenly distributed about the world: Asia, the most heavily populated region had received the largest share, followed by the Western Hemisphere, Europe and Africa. India is our largest individual borrower -- ~~just over \$1 billion to date~~ -- and Japan and Mexico take second and third place. Most of the loans have been made to the underdeveloped countries, but we have also lent to industrialized nations as well. We have, for instance, made eight loans totaling a little under \$400 million to the Cassa per il Mezzogiorno. When the Cassa embarked on its long-term plan for the development of southern Italy, it was felt that the contemplated investments of Lit. 1,250 billion would upset the equilibrium of the economy by creating a large demand for imported goods. The Bank therefore made two loans in 1951 and 1953, providing dollar funds to help avoid such disequilibrium, ^{and to have equivalent lire used in} ~~The Italian monetary authorities set aside the lire equivalent of the loans as counterpart funds which were then used to finance~~ ^{a number of} investment in ~~selected~~ industrial, agricultural and power projects. Four further loans, totaling \$240 million, were made to the Cassa between 1955 and 1959 for similar projects. The fourth of these loans was part of a combined operation in which the Cassa borrowed \$70 million, \$20 million each from the World Bank and the European Investment Bank and the remaining \$30 million through a bond issue on the New York market, ~~the first time the Cassa had gone to the New York market for capital.~~ Later, the same year, the World Bank made its seventh loan to the Cassa, \$40 million to help finance the SENN nuclear power plant on the Garigliano River. The project arose out of a study jointly sponsored by the Bank and the Italian Government, and it

was the Bank's first -- and to date only -- loan for the development of nuclear power. Our most recent loan to the Cassa was one of \$100 million made in June of last year to replenish the lending resources of three credit institutions, ~~ISVEIMER~~ on the mainland, ~~IRFIS~~ in Sicily and ~~GIS~~ in Sardinia which are, as you know, the Cassa's primary channels for lending to industrial enterprises in those regions.

I might perhaps
It would seem relevant at this point ~~to~~ mention the Bank's interest rate policy. We relate the interest rate charged on ^{our} World Bank loans both to the rate which ^{we} ~~the~~ Bank would ^{ourselves have} ~~itself~~ ^{in the market} pay to borrow money at the time the loan is made and to the ability of member countries to raise funds in the capital markets of the world. As a result, the standard lending rate of the Bank has moved between 5-1/2% and 6%^{1/4} over the past 5 years. However, in February 1965, the Bank decided that countries able to cover the bulk of their external capital needs from market sources should ^{pay rather more than the dev. countries,} ~~be charged slightly~~ higher rates than the majority of the membership, but in no case more than 1% higher than the standard rate which is at present 6%. Thus the most recent loan to the Cassa, recent loans to New Zealand, and Japan's latest borrowing from the Bank, have borne rates up to 1% higher than the standard rate applying at the time, and in each case these rates were roughly comparable to the rates at which these countries would borrow in the markets.

As I mentioned earlier, most of our lending is to the underdeveloped world, and although the Bank can claim to be the largest source of multi-lateral aid for development, its share in the total aid effort is small in comparison with that of bilateral aid programs. But we ourselves have always been more interested in the effectiveness than in the scale of our lending. It is one of the benefits of being an independent international organization that we do not have to lend for reasons of political or commercial convenience.

For example, our borrowers can often get better value from a Bank loan than from a loan of similar size from a bilateral lender. Whereas a bilateral loan is commonly tied to the purchase of goods or services in the lending country, our borrowers are free to spend the proceeds of a Bank loan in any of the Bank's member countries (~~and also in Switzerland in recognition of that country having opened its capital market to the Bank~~). The important thing to remember is that under a bilateral loan, tied to procurement in the lending country, the borrower may well have no choice but to pay the highest of these prices. Indeed, he may have to pay even more, since it ^{Sometimes happens that} ~~may well be that on occasion~~ suppliers even raise their prices when they know that they will not have to contend with international competition. By contrast, when procurement is not tied, as under a Bank loan, the borrower can do his shopping in the least expensive market. International bidding for Bank-financed contracts is therefore, as you can imagine, highly competitive, ~~and Italy can be justly proud and pleased that it~~ has done remarkably well under this system. By the end of 1965, Italian industry had won export orders for goods and services to be financed by the Bank totaling over \$250 million, ~~the equivalent of well over Lit. 158,000 million~~, or just about four times the amount of Italy's paid-in subscription. Italian industry has won a further \$12 million in export orders relating to projects being financed by IDA.

These export orders have been for a wide range of goods and services, but Italian suppliers have been particularly successful in obtaining orders connected with electric power and transportation projects. It would be invidious to single out names from the many well-known contractors who have won important Bank or IDA-financed orders of this type. Suffice it to say that Italian contractors have been, or are at this moment, at work on the Kainji

Slightly reworded page 11 for English/Italian speech which corrects the impression that disbursement figures reflect the value of contracts awarded to Italian suppliers.

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Dam in Nigeria, Ghana's Volta River project, the Kariba Dam on the Rhodesia-Zambia border, and the Roseires project on the Blue Nile in the Sudan.

Italian industry has been a supplier for the power expansion programs in Mexico, Argentina, Honduras and El Salvador, in Cyprus and Mauritius. Contracts have been won for work on highway development projects in Ethiopia, Nigeria, Chile, Argentina and Pakistan. This list is far from complete, but it gives an idea of the world-wide nature of Italian industry's involvement in development, and of the undoubted benefits that accrue to this country from that involvement.

Now let me come to IDA, Int. Dev. Assn.
~~Freedom to look around for the best value for money is one of the reasons why Bank loans can be unusually effective. As a multilateral organization, the Bank can -- and does -- confine its lending to projects that it is convinced, after careful and thorough study, will make a worthwhile contribution to the economic progress of the borrowing country. The Bank sets none of the commercial or political conditions that are sometimes explicit, and often implicit, in bilateral aid -- but we are never reluctant to insist on any conditions that we think necessary to ensure a project's success.~~

~~This approach has been used by the Bank in its lending since its earliest years, and it still applies. But whereas~~ ^{but} ~~it once appeared that the Bank could meet most of its responsibilities toward its member countries through ~~such~~ straightforward lending operations,~~ it has gradually been driven to enlarge the scope of its activities. The most spectacular enlargement of these activities came about in 1960 with the establishment of IDA, the International Development Association.

The background to the creation of IDA is the increasing burden of debt service being carried by many underdeveloped countries. In itself, the fact

that a country's external debt is growing is nothing to worry about, if its economic strength is also growing. But there are many countries able to make good use of considerably more outside capital than they can safely undertake to repay on conventional terms. In some of these countries, their limited ability to borrow on such terms simply reflects their poverty. In others, it reflects the unfavorable structure of their present debts, often incurred on unsuitably short terms -- for instance, in the shape of three or five-year commercial export credits when a more appropriate term of repayment would have been ten or fifteen years.

It is not always realized just how serious the debt problem has become for the developing world in recent years. In 1956, the outstanding international debt of the low-income countries, stemming from public sources or carrying governmental guarantees, was estimated at just under \$10 billion. Today, it is a good deal more than three times that amount. Furthermore, because of rising interest rates and the accumulation of short-term debt, the amount of money needed each year to service this debt rose ^{by more than 4 times between 1956 and} ~~from \$800 million in 1956 to \$3.5 billion in 1964.~~ The result of this is that the developing countries as a whole must now devote more than one-tenth of their foreign exchange earnings to debt service, instead of devoting it to new productive development. Such a heavy call of debt service on a country's resources is liable either to bring economic development to a halt, or else to drive the borrower to default on his creditors. [And whatever one's views on the morality of not paying one's debts, there is no doubt that it is an excellent way of ensuring that people will be less happy to lend to you in future.]

50 years
3/4 of service
change

The function of the International Development Association is to lend at long term and minimum interest, in order to reduce this weight of debt service. It is financially separate from the Bank, but otherwise completely integrated with it and the Bank and IDA's staff are one and the same. In effect it is simply a special fund available to the Bank to be used in cases where we consider that a project is economically justified, and that a government is following sensible policies, but that the balance of payments situation of the country concerned makes it ^{essential} desirable that generous terms of repayment be offered. It differs sharply from the Bank in one very important respect: its lending terms ^{make it impr. for it to borrow} ~~preclude it from borrowing~~ in the market, and make it entirely dependent upon its member governments for funds.

IDA makes loans, not grants, and they are repayable in convertible currencies. But it will be a long time before the money comes back, and earnings will always be very small: all the loans so far made cost the borrower only a service charge of less than one per cent, designed to cover administrative expenses, and repayments begin only after ten years, and are spread over a further forty years. With such a low rate of return on its funds, IDA is in no position to finance borrowings from the private market, nor will it accumulate lendable earnings in any quantity. In contrast to the Bank, it ^{looks} ~~must inevitably look periodically~~ to its member countries to renew its resources ^{periodically. Now approaching.}

The great majority of the Bank's member countries are also members of IDA, and it is governed in much the same way, as voting power is proportioned to initial subscription. There are major differences, however, in

the structure and significance of the subscriptions. When IDA was set up, all of its potential members were sorted into two categories: the developed, and the undeveloped. The developed countries agreed to put up their subscriptions entirely in gold or convertible currencies; the undeveloped paid only one-tenth in convertible funds, and the rest in their own currencies -- which up to now have been no more useful to IDA than the unreleased local currency subscriptions of the Bank. But three developing countries have since released their portions in convertible form, an action which we applaud and which we hope will be followed by others. This formula gave IDA initial funds of about \$765 million in lendable form. IDA is also authorized to accept supplementary contributions and is required to maintain a regular review of the adequacy of its resources. In 1964, the developed countries agreed to replenish IDA's funds by providing supplementary resources of over \$750 million for commitment until mid-1966 at least. *Italy's contribution is not very large -* *By the end of 1967, Italy will have contributed a little under \$48 million to ~~IDA's resources~~, the equivalent of not quite \$7 million per year since IDA's creation.* One of the 18 developed member countries, Sweden, has made four special contributions and has *recently offered a regular quota. We hope others will do likewise - nobody yet.* ~~recently offered a fifth which would bring the total of Swedish funds made available to IDA to \$48.2 million.~~ *It only doubled the amount of its* ~~In this way, Sweden is setting a fine example to her fellow industrialized countries.~~ *we* ~~One sincerely hopes that others will consider a similar course of action.~~ The World Bank has itself contributed a total of \$125 million to IDA out of the Bank's net income for the past two fiscal years. In the 5-1/2 years of its existence IDA has made credits -- as they are called -- amounting to just under \$1.2 billion, and it will shortly have committed all the funds so far made available to it. *stay in business* ~~If IDA is to be able to finance projects beyond 1968,~~ *this year,* the member governments will have to decide shortly the scale on which

*Ireland
Jordan
Israel*

to replenish ^{its} IDA's resources, ^{This will soon become urgent.} ~~to enable it to enter into those commitments in the meantime.~~

IDA's development credits have been concentrated in a smaller group of countries than the Bank's loans, because of the special problems they are designed to meet. India has been by far the largest borrower; Pakistan is in second place. But the projects to be financed are very similar to those covered by the Bank's loans -- railways and roads, power stations and irrigation schemes. ~~There are some differences.~~ The special terms of IDA credits are meant to alleviate balance of payments problems, not to subsidize individual projects. Therefore we make our credits only to governments and insist, if the funds are to be re-lent to revenue-producing enterprises (whether public or private), that the re-lending be done on conventional terms that reflect the true cost of the money. ~~The similarities, however, are much more significant than the differences.~~ Most important, we apply exactly the same stringent technical and economic standards in assessing a proposed project and the policies of a borrowing country, regardless of whether the money will be provided by the Bank or from the funds of IDA. We offer IDA's borrowers relief from their balance of payments problems, but we do not support uneconomic projects or irresponsible policies.

If we are to meet our responsibilities as the largest and oldest multilateral institution in the development financing business, it is clear that we have to recognize the changing needs of our clients and try new kinds and methods of assistance. ~~We are constantly thinking how to do this.~~ Our growing emphasis on the development of agriculture

and education was brought about by our recognition of pressing priorities in these two vital areas. The same can be said of our increased assistance to the industrial sectors of the developing economies. But as the World Bank Group has been broadening the range of its activities in the developing countries, it has become increasingly clear that in many cases these countries lack the experience to bring complex and awkward projects to a stage at which they ^{are} ~~were~~ ready for financing. As a result we have been greatly expanding our technical assistance program. There is, of course, a considerable element of technical assistance in our normal operational activities, but, over and above that, the Bank spent last year, for instance, \$4.5 million on special technical assistance services to member governments. In eastern and western Africa, the Bank has established permanent regional missions in Nairobi and Abidjan primarily to assist governments in the area to identify and prepare projects for presentation to the Bank or IDA. The Bank also assists member governments, at their request, in the formulation of general programs of development which can serve as a framework for investment and other measures conducive to economic growth, ~~and the Bank has so far conducted comprehensive economic surveys in 25 countries. In Washington we run a staff college for senior government officials from the developing countries who need the specialist knowledge to plan and carry through their countries' development programs.~~

[These are some of the ways in which we are seeking to meet the changing and expanding needs of the developing world. Our experience of twenty years in the development financing business has taught us much. In particular we have learned that if the total development effort -- both bilateral and multi-lateral -- is to be really effective, it must be properly coordinated. Thus,

in 1958, when a critical shortage of foreign exchange threatened to undermine India's development program, the Bank gathered together a group consisting of itself and those capital-exporting countries most directly concerned to mobilize an adequate flow of external assistance. In 1960 a similar consortium was organized to aid Pakistan. Both these consortia, which have met annually, have served as forums for objective comment on the economic performance and capital requirements of the recipient countries, and have served to coordinate aid and improve its terms. Italy is a member of both groups.

For certain other developing countries we have organized consultative groups of interested capital-exporting countries. These groups do not engage in annual aid pledges, but in other respects they are intended to serve the same purposes as the consortia. We have so far organized groups for Colombia, Nigeria, the Sudan, Thailand, Malaysia and Tunisia, and we expect to add Morocco to the list before long.]

I am certain that we can and will find still more ways to help the developing countries to derive the maximum value from the financial assistance made available to them, and thus quicken the pace of development. But there are some things that I am equally certain that we are not going to do. We are not going to lower our standards in assessing projects. We are not going to weaken in our resistance to policies that we believe are hindering economic development. We are not going to jeopardize our standing with private investors, since we must continue to depend upon them to a great extent for the resources that we lend. In fact, we are going to continue to display the qualities that often madden many of our borrowers: we are going to go

on being cautious and pragmatic but not, I hope, unimaginative or unsympathetic. This is the approach that has served the Bank and its borrowers well throughout the years of its existence, and that has made it, in our view at any rate, an unusually effective instrument for its purpose.

BANQUE

“LA POLITIQUE DE PRÊT DE LA BANQUE MONDIALE”

*Discours de M. Geoffrey M. Wilson,
Vice-Président de la Banque Mondiale,
devant la Société d'Économie Politique
à Paris, le 8 mars 1966.*

LA POLITIQUE DE PRÊT DE LA BANQUE MONDIALE

par Geoffrey M. WILSON

Vice-Président de la Banque Mondiale

Lorsque l'on parle de la politique de prêt de la Banque Mondiale, il importe de ne pas dissocier la Banque de ses deux filiales, car le rôle de chacune complète celui des autres. A Washington, au lieu de « la Banque et ses filles », on dit « le groupe de la Banque Mondiale ». Les filiales, l'Association Internationale de Développement et la Société Financière Internationale, marchent la main dans la main avec la Banque, sans éprouver de complexes devant l'organisation mère.

La Banque elle-même, institution spécialisée des Nations Unies, compte 103 pays membres. Elle est aujourd'hui dans sa vingtième année, ayant accordé au 31 décembre 1965 quelque 9,5 milliards de dollars de prêts.

La *Société Financière Internationale* (S.F.I.) a été créée en 1956. Elle est destinée à venir en aide uniquement au secteur privé, et, à la différence de la Banque, elle n'exige pas pour ses interventions de garantie gouvernementale. Son rôle est très semblable à celui d'une banque d'affaires et elle s'intéresse surtout aux projets du secteur industriel. Elle peut non seulement accorder des prêts, mais également investir, soit en prenant une participation dans le capital d'une entreprise, soit en garantissant des émissions d'actions dans le public.

Au 31 décembre 1965, la S.F.I. avait procédé, depuis le début de ses activités, à des prises de participation ou des garanties d'émission pour un montant total de 150 millions de dollars. Dans le cadre du groupe de la Banque Mondiale, la Société Financière Internationale assume des responsabilités particulières. C'est elle qui, pour l'ensemble du groupe, évalue, prépare et contrôle l'exécution de projets dans les domaines industriels et miniers ainsi que pour toutes les opérations qui concernent des sociétés de financement du développement.

L'*Association Internationale de Développement* a été créée en 1960 pour venir en aide à des pays qui, parce que leur endettement extérieur est trop élevé ou bien parce que leurs recettes d'exportation sont

insuffisantes, ne peuvent emprunter aux conditions habituelles de la Banque sans mettre gravement en péril l'équilibre à long terme de leur balance des paiements. L'I.D.A. (on garde en français l'ordre anglais des initiales afin d'éviter toute confusion avec l'organisme du Gouvernement américain A.I.D., Agency for International Development) avait accordé au 31 décembre 1965 1,2 milliard de dollars de crédits à cinquante ans, et sans intérêt, moyennant une simple commission pour frais de fonctionnement.

Le personnel, les procédures et les critères appliqués pour la politique de prêt sont les mêmes que ceux de la Banque, et chaque fois que dans cet article il est fait mention de la politique de prêt de la Banque, la politique de l'I.D.A. y est comprise. On fait trop souvent une confusion à ce sujet pour qu'il ne soit pas nécessaire d'insister. Un projet financé par l'I.D.A. sera évalué dans les mêmes conditions qu'un projet de la Banque, avec la même sévérité et le même soin quant à la priorité économique et aux exigences de rentabilité.

La seule différence entre un projet Banque et un projet I.D.A. consiste dans l'allègement des échéances qui en résulte pour le service de la dette extérieure du pays emprunteur. Cet avantage n'est consenti qu'au gouvernement lui-même; il n'est pas transféré au niveau de l'organisme responsable de la mise en œuvre du projet. Si, en effet, le montant d'un crédit de l'I.D.A. était reprêté à l'organisme qui est chargé d'exécuter un projet productif de revenus aux conditions avantageuses dont bénéficie le gouvernement emprunteur, l'opération reviendrait à subventionner le projet.

Or, cela ne serait pas conforme aux buts de l'I.D.A. qui encouragerait alors un gaspillage et une mauvaise utilisation des capitaux très limités dont elle dispose. Ainsi exige-t-elle qu'un gouvernement emprunteur, qui reprête le montant d'un crédit accordé pour financer une entreprise produisant des revenus, fixe des conditions qui imposeront à l'orga-

nisme la discipline financière normale pour l'établissement des prix et des tarifs.

Un exemple de cette manière de procéder peut être trouvé dans les deux prêts accordés par l'I.D.A. au Gouvernement du Pakistan en juin 1964 pour les chemins de fer du Pakistan oriental et du Pakistan occidental, pour des montants de 10 et de 25 millions de dollars respectivement. Ces deux crédits ont servi à l'achat par adjudication internationale de matériel de traction, de matériel roulant et d'équipement ferroviaire. Le Gouvernement du Pakistan a rétrocédé la contrevaletur de ces crédits aux gouvernements provinciaux du Pakistan oriental et du Pakistan occidental, aux mêmes conditions que celles de l'I.D.A. Ces gouvernements ont, à leur tour, mis les fonds à la disposition des deux compagnies de chemin de fer qui assureront leur remboursement en vingt ans à un taux de 5 % pour les dépenses de remplacement et à un taux de 4 % pour les dépenses d'acquisition de matériels nouveaux.

La décision accordant un crédit I.D.A. plutôt qu'un prêt de la Banque est parfois prise à un stade qui précède l'étude des projets. Elle relève dans tous les cas du conseil d'administration de l'I.D.A. Il faut d'ailleurs souligner que plusieurs pays, notamment l'Inde, le Nigéria et le Honduras, ont reçu au cours des derniers mois une assistance financière « mixte », c'est-à-dire pour une part aux conditions de la Banque, et pour l'autre aux conditions de l'I.D.A., et sous peu le Sénégal va recevoir une assistance semblable. Ce fait est un autre exemple de l'étroite imbrication des deux organismes.

Depuis vingt ans qu'elle fonctionne, la Banque Mondiale n'a jamais refusé de financer un projet qui lui était présenté parce qu'elle n'avait pas les fonds nécessaires. Si la Banque a dû limiter son action, c'est parce que les projets qui lui étaient présentés n'étaient pas économiquement justifiés, ou bien parce que le crédit des pays éventuellement emprunteurs n'était pas suffisant, ou parce que, dans certains cas, le pays en question n'avait plus besoin de l'aide de la Banque.

C'est parce que la Banque a été exigeante et prudente qu'elle a pu asseoir son crédit sur les marchés financiers et par conséquent trouver des fonds pour ses opérations, ce qui constitue sa grande originalité sur le plan financier. Grâce à la confiance qu'a su lui inspirer la Banque, l'épargne privée a pu s'investir par son intermédiaire dans des pays qui ne sauraient l'attirer directement, soit pour des raisons de sécurité, soit par manque de mécanismes adéquats.

Cette caractéristique explique en partie, comme on le verra tout à l'heure, la politique de prêt de la

Banque fondée sur l'exigence de la rentabilité, rentabilité indispensable pour rémunérer les fonds d'épargne qui lui sont confiés. Une pareille exigence ne nous a pas empêché d'accorder à un pays comme l'Inde et pour la Banque seulement (c'est-à-dire sans tenir compte des crédits de l'I.D.A. accordés à des taux de faveur) à peu de choses près l'équivalent de 1 milliard de dollars de prêts.

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Voici maintenant en détail la politique de prêt de nos institutions. On peut définir cette politique par trois caractéristiques ou, si l'on veut, trois principes.

Premièrement, parce que nous sommes des institutions financières, nous suivons les règles auxquelles se soumettent les institutions financières bien gérées. Vous connaissez les trois critères du banquier en quête de placements : sécurité, rentabilité, liquidité. Ces critères sont aussi les nôtres, dans la mesure où la nature particulière de notre activité nous permet de les respecter. J'y reviendrai un peu plus loin.

Deuxièmement, notre qualité d'organisation multinationale nous oblige à ne pas nous contenter des seuls résultats financiers. Notre vocation est exclusivement d'accélérer le développement économique et social de nos pays membres, sans prendre en considération des objectifs d'ordre politique, commercial, stratégique ou militaire. Cela ne veut pas dire, évidemment, que nous ne tenons pas compte de la stabilité politique d'un pays au moment de lui accorder un prêt, dans la mesure où elle affecte sa sécurité.

Troisièmement, et ce principe découle du précédent, notre politique de prêt ne peut être définie par des règles trop strictes. Parce que nous recherchons avant tout l'efficacité, nos interventions doivent faire bon ménage avec l'empirisme et le bon sens, tout en tirant parti chaque fois que cela est possible des enseignements théoriques et des modèles mathématiques. D'ailleurs, vous savez comme moi que de tels modèles ne valent que s'ils sont appliqués avec beaucoup de prudence dans les pays en voie de développement où les statistiques, la comptabilité nationale et la connaissance scientifique des flux qui régissent l'économie sont le plus souvent embryonnaires, pour ne pas dire tout simplement inexistantes.

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Comment les choses se passent-elles en pratique?

Je ne m'étendrai pas sur la S.F.I. puisque sa politique d'intervention peut être comparée à celle d'une banque d'affaires classique, mais banque d'affaires obéissant aux critères de l'assistance multilatérale.

Cela veut dire que la S.F.I. ne peut s'associer à des intérêts privés que si l'investissement envisagé présente un intérêt prioritaire pour le développement économique du pays bénéficiaire, et seulement dans la mesure où les capitaux indispensables ne peuvent être réunis sans son concours.

La S.F.I. est avant tout un catalyseur d'investissements privés et elle ne doit pas viser plus loin. Elle ne doit même pas exercer les pouvoirs de direction normalement attachés à sa participation dans le capital d'une entreprise et elle s'efforcera dans tous les cas de céder sa participation à d'autres investisseurs, locaux de préférence, ou étrangers, lorsque l'entreprise apparaîtra rentable. Si je ne craignais pas d'exagérer un peu, je dirais que dans le fonds la S.F.I. cherche à prouver aux milieux d'affaires étrangers et aussi aux capitalistes des pays en voie de développement eux-mêmes, qu'un investissement privé dans ces pays peut être rentable et en même temps contribuer au développement économique.

De nouvelles dispositions viennent de permettre à la S.F.I. d'emprunter à la Banque Mondiale jusqu'à quatre fois le montant du capital versé de la S.F.I. Celle-ci pourra trouver ainsi quelque 400 millions de dollars supplémentaires sous forme de crédits « revolving » et accroître singulièrement le nombre et l'importance moyenne de ses investissements.



J'en viens maintenant à la politique de prêt de la Banque Mondiale elle-même et je vais l'examiner successivement sous l'angle des trois critères énoncés précédemment : critères financiers, critères de l'assistance multilatérale et critères de l'empirisme.

Le premier des critères financiers que la Banque observe est celui de la sécurité. Les prêts de la Banque sont toujours affectés à des projets déterminés et ne prennent jamais la forme d'une assistance purement budgétaire, ni d'une assistance destinée seulement à diminuer le déficit de la balance des paiements du pays emprunteur, et cela est très important. D'autre part, ils ne contribuent à financer qu'une partie du coût total de ces projets, le plus souvent les frais en devises, de manière que l'emprunteur et le cas échéant le gouvernement lui-même supportent une partie de ce coût.

Comme tout banquier, la Banque commence par apprécier le risque inhérent au projet et par évaluer la capacité d'endettement de l'emprunteur. La Banque veillera aussi à ce que le service annuel de la dette extérieure du pays emprunteur ne dépasse pas certaines limites, les échéances correspondant aux crédits à court terme, crédits fournisseurs en particulier, étant le plus souvent particulièrement difficiles à assurer. La durée et le délai de carence

du prêt accordé tiendront parfois compte de ces nécessités.

La Banque pourra d'autre part protéger sa situation de créancier par des clauses protectrices figurant dans le contrat de prêt ou dans des documents annexes. En dernier ressort, la Banque dispose de la garantie de l'Etat. Mais il faut souligner le fait qu'une des principales raisons de la création de la Banque était le désir de disposer d'une institution coopérative dont le rôle serait d'accepter les risques spéciaux inhérents à l'investissement international au cas où, en raison de ces risques, les investisseurs privés s'abstiendraient ou seraient dans l'incapacité d'investir sans être assistés.

Un autre critère est la rentabilité de l'œuvre financée. Une rentabilité financière dans le sens strict du mot n'existe que pour des projets « self-liquidating ». Mais on peut évaluer les bénéfices économiques que le pays tirera de l'exécution d'un projet. Ainsi, nous avons financé la remise en état et l'amélioration de routes en Ethiopie, parce que 40 % des exportations de ce pays et 30 % de ses importations sont transportées par route. Or la mauvaise qualité d'environ un tiers des principales routes avait, par la hausse considérable des frais de transport et les retards de livraison qu'elle entraînait, abouti à rendre les produits éthiopiens moins compétitifs sur le marché mondial. Pour un projet industriel ou un projet dans le domaine des services publics (électricité, distribution d'eau, etc.), la Banque exigera, par des clauses tarifaires, que le prix de vente des services rendus aux usagers soit suffisant pour assurer une exploitation rentable.

Il convient dans tous les cas de bien distinguer la rentabilité économique de la rentabilité financière. Ainsi, la construction d'une route à péage expresse doublant une ligne de chemin de fer peut être financièrement justifiée. Mais ne pourrait-elle pas être contraire aux intérêts de l'économie du pays si elle diminuait l'utilisation d'une infrastructure existante? Dans des cas semblables, il faut peser le pour et le contre.

Pour choisir et apprécier un projet sur le plan économique, la Banque utilise la méthode classique des « flux actualisés » (*discounted cash flows*). Une projection est faite année par année des coûts et des recettes brutes du projet auxquels on applique ensuite un taux d'escompte déterminé. Les différents projets ou les variantes d'un même projet sont comparés d'après leur valeur actuelle nette, c'est-à-dire en soustrayant les valeurs actualisées des recettes brutes.

La difficulté de cette méthode bien connue des organismes d'investissement réside dans le choix d'un taux d'escompte satisfaisant. Un taux d'escompte élevé rendra plus attrayants les projets qui

peuvent être rentables (au sens économique) à bref délai. Le taux d'escompte utilisé n'est pas le taux d'intérêt officiel, mais le « coût économique du capital » ou encore le « coût d'opportunité », c'est-à-dire le taux de rentabilité économique le plus élevé qui pourrait être obtenu, à un moment donné, dans un pays et dans un secteur donné, pour d'autres projets.

Cette estimation est loin d'être aisée et il peut y avoir des erreurs considérables d'appréciation. Un pays sous-développé pourra quelquefois trouver avantage à retenir un projet pour lequel le coût du capital sera plus élevé mais qui donnera du travail à un plus grand nombre de travailleurs. Si l'on avait pris un projet avec un coût de capital plus avantageux, il aurait fallu ajouter le coût économique d'une main-d'œuvre restant inemployée.

Tous ces calculs sont difficiles et l'on doit se garder dans tous les cas de conclusions trop rapides et théoriques. L'environnement, la création d'économies externes, les habitudes et le comportement de la population, les facteurs sociologiques, etc., doivent toujours être pris en considération.

Il va de soi qu'un projet ne peut avoir les rentabilités économique et financière souhaitées que s'il est soigneusement préparé, puis soigneusement examiné dans tous ses détails par la Banque, notamment par l'envoi sur place d'une ou plusieurs missions. L'examen critique de la Banque portera donc sur les aspects intrinsèques du projet : organisation et direction de l'organisme emprunteur, mode de financement envisagé, conception technique, gestion dans la phase d'exploitation, dispositions commerciales en vue de l'acquisition par adjudication internationale des biens d'équipement et services nécessaires, et dispositions en vue d'assurer les fournitures locales indispensables pendant la durée des travaux.

Le dernier des critères financiers de la Banque est celui de la liquidité. La Banque reconstitue ses fonds disponibles pour les prêts par les remboursements des emprunteurs, par l'émission d'obligations sur les marchés financiers, et par ses bénéfices constitués en réserves. Elle y parvient également en associant des organismes financiers privés ou publics à ses opérations, sans sa garantie, soit en leur offrant de participer à ses prêts, soit en leur vendant des portions de prêts : plus d'un milliard huit cents millions de dollars ont pu être obtenus de cette manière.

La Banque a d'autre part décidé d'élever le taux d'intérêt de ses prêts accordés à des pays qui ont eux-mêmes déjà accès à des marchés financiers; mais le taux d'intérêt de ces prêts ne dépassera en aucun cas de plus d'un pour cent le taux d'intérêt normal demandé aux pays moins développés, qui est actuellement de six pour cent. Dans tous les cas,

un taux supérieur à ce taux normal sera comparable aux conditions que trouverait le pays en question lorsqu'il emprunte sur les marchés. L'Italie, le Japon et la Nouvelle-Zélande ont déjà accepté ces conditions pour des prêts récents.

Abandonnons maintenant les critères financiers pour en venir aux critères de l'assistance multilatérale. Depuis que la Banque a pu gagner la confiance des marchés financiers, c'est-à-dire depuis les années 50, ces critères tendent à prendre une importance croissante. Ils se résument aisément : la Banque, par ses activités, cherche avant tout à rendre service aux pays emprunteurs, à favoriser par tous les moyens appropriés le développement économique de ces pays, et non pas seulement à étendre un secteur de l'économie ou à développer une grande entreprise au rôle moteur.

Il en résulte que la Banque ne prendra en considération que l'intérêt de l'économie du pays aidé dans son ensemble. Elle n'acceptera d'envisager un prêt que si elle est convaincue de la priorité du projet et de son intégration dans un plan de développement réaliste et bien conçu. Elle accordera une importance non dissimulée aux encouragements donnés par un pays aidé aux investissements privés, particulièrement ceux de l'étranger.

Le comportement d'un pays à l'égard de sa dette extérieure détermine déjà sa capacité d'endettement et il est, à ce titre, apprécié par la Banque. La Banque va même au-delà puisqu'elle s'efforce, bien que ceci ne soit pas au premier chef sa responsabilité, d'amener les pays aidés à respecter scrupuleusement leurs engagements extérieurs. Elle a indiqué à plusieurs reprises qu'elle n'accorderait pas de prêt aux pays qui procèdent à des nationalisations de biens étrangers sans promesse d'indemnisation équitable. Elle a accepté d'intervenir comme conciliateur dans une série de litiges qui opposent actuellement au Gouvernement tunisien des compagnies françaises de services publics qui ont été nationalisées.

Enfin, l'assistance accordée par la Banque tiendra compte de l'effort propre entrepris par le pays pour assurer son développement avec le maximum d'efficacité. « Aide-toi, le ciel t'aidera. » M. Raymond Aron écrivait dans un article récent : « Il est vrai que l'on peut aider les peuples sous-développés, mais non prendre en charge le développement. Celui-ci est une transformation économique, sociale, humaine, d'une population. Il faut que cette population se transforme elle-même. La contribution des autres ne sera jamais qu'un appoint. »

J'en viens maintenant aux critères de l'empirisme. Lorsque la Banque a commencé ses activités, elle ne savait pas, même confusément, vers quels rivages elle s'embarquait. Notre expérience nous a beaucoup servi. Il nous est arrivé de nous tromper, mais

depuis dix-neuf ans nous avons appris à mieux comprendre les problèmes du financement du développement, à acquérir ce flair et cette technique qui sont irremplaçables, car à vrai dire notre métier ne ressemble à aucun autre.

On nous a parfois reproché de négliger l'industrie parmi les grands secteurs économiques qui bénéficiaient de nos prêts. Cela n'est pas exact, mais ce qui est vrai c'est qu'il n'y a pas d'industrialisation possible sans investissements d'infrastructure. Il fallait donc commencer par le commencement et dans de nombreux pays la voie est maintenant ouverte à l'industrialisation. On nous a aussi reproché de ne prendre en considération que des projets parfaitement étudiés et de nous désintéresser de projets valables qui, faute de cadres qualifiés et d'expérience administrative, ne sont pas suffisamment mis au point, c'est-à-dire que leur évaluation et la détermination des conditions d'un financement éventuel ne peuvent être entreprises.

Pour assumer correctement notre rôle de prêteur, nous avons été amenés à développer toute une série d'actions d'assistance technique. Nous avons renforcé notre coopération avec l'U.N.E.S.C.O. et la F.A.O., conscients de la nécessité de donner plus d'importance à l'éducation et à l'agriculture, deux secteurs clefs du développement. Nous avons accepté de financer soit par des dons, soit par des prêts, des études « pré-investissement » et nous avons récemment ouvert en Afrique deux bureaux, l'un à Abidjan, l'autre à Naibori, avec des experts qui aideront les gouvernements à identifier et préparer des projets.

Notre expérience nous a rendu plus conscients de la nécessité de concerter l'aide. A cette fin nous avons constitué déjà plusieurs groupes de pays dont chacun s'intéresse à un pays déterminé, et quelques autres groupes suivront bientôt. En 1958, nous avons organisé un tel groupe où figuraient à côté de la Banque les pays exportateurs de capitaux les plus directement intéressés au développement de l'Inde. En 1960, nous avons constitué un consortium analogue pour venir en aide au Pakistan.

Ces consortiums se sont réunis chaque année depuis leur création et ont servi à échanger objectivement des informations et des remarques sur les résultats économiques et les besoins en capitaux des pays, ainsi qu'à coordonner l'aide extérieure et à améliorer les conditions dans lesquelles elle est fournie. La Banque est également membre des consortiums d'aide à la Grèce et à la Turquie, administrés par l'O.C.D.E.

Pour certains autres pays en voie de développement, la Banque a entrepris de mettre sur pied des groupes consultatifs des pays exportateurs de capitaux intéressés. Ces groupes ne prennent pas d'en-

gagements d'aide annuels, mais à tous autres égards leurs fonctions sont les mêmes que celles des consortiums. Ces groupes ont été organisés pour la Colombie, la Malaisie, le Nigéria, le Soudan, la Thaïlande et la Tunisie, et peut-être sous peu le Maroc va-t-il s'ajouter à cette liste.

Nous savons aussi que souvent le développement ne peut avoir lieu dans les meilleures conditions s'il ne s'accompagne pas d'investissements privés. Nous cherchons toujours à favoriser ces investissements et nous avons mis au point une Convention pour le Règlement des Différends relatifs aux Investissements privés qui a déjà été signée par trente-trois pays et, nous l'espérons, pourra prochainement entrer en vigueur après avoir été ratifiée par vingt pays.

Enfin, nous avons déjà mis au point pour des projets particulièrement importants que nous avons contribué à financer, comme le barrage de Kaindji, sur le Niger, et tout récemment le développement de l'électricité au Mexique, des procédures de financement conjoint permettant à des pays industrialisés de compléter l'action de la Banque par leurs prêts, dans la mesure où les adjudications internationales auront favorisé les entreprises de leur ressort.

Ce sont encore les leçons de notre expérience qui nous ont amené à fonder l'Association Internationale de Développement, dont je vous ai déjà entretenus. Les gouverneurs membres ont créé l'I.D.A. après s'être penchés pendant un certain nombre d'années sur les difficultés de leurs pays. Ces difficultés, vous les connaissez, c'est l'insuffisance chronique des ressources disponibles pour le développement, aggravée d'une part en raison de la dégradation des termes de l'échange et de la stagnation des exportations des produits de base, d'autre part en raison d'un service de la dette extérieure trop lourd et aux échéances mal aménagées.

Assurément, les conditions auxquelles les crédits de l'I.D.A. sont consentis sont telles qu'il est impossible pour elle de recourir aux marchés financiers. Ses ressources sont constituées pour la majeure partie par des contributions budgétaires des gouvernements membres, surtout des pays riches. A la fin de 1967, la France aura contribué pour un montant de 125 millions de dollars aux ressources de l'I.D.A., ou l'équivalent de 16,5 millions de dollars par an depuis la création de l'Association.

Depuis deux ans, la Banque Mondiale a reçu l'autorisation de transférer à l'I.D.A. une partie de ses bénéfices : 125 millions de dollars au total lui ont été transférés de cette manière aux termes des exercices 1964 et 1965. Ces deux catégories de ressources permettront à l'I.D.A. de souscrire à de nouveaux engagements au moins jusque vers la fin du mois de juin prochain. Mais les gouvernements membres

auront à décider à brève échéance de l'ampleur des nouvelles contributions nécessaires pour assurer à l'I.D.A. des ressources suffisantes pour souscrire à de nouveaux engagements au-delà de cette date.

Or, les besoins de crédits à bas taux d'intérêt et à long terme sont immenses et augmentent sans cesse. Comme je l'ai indiqué plus haut, les projets financés à des conditions de faveur ne doivent absolument pas être moins prioritaires et moins soigneusement conçus que les autres.

Deux vers de Shakespeare, tirés de « Much Ado About Nothing », illustrent assez bien la philosophie de l'I.D.A. :

*What need the bridge much broader than the flood?
The fairest grant is the necessity.*

(A quoi servirait un pont beaucoup plus large que
[le fleuve?
Le don le plus juste est une obligation.)

Mais il ne faut pas que le torrent emporte le pont! Aussi convient-il d'espérer que les crédits accordés pour le développement par d'autres pays, d'autres institutions, suivent une évolution semblable pour alléger le service de la dette des pays pauvres. On estime actuellement que plus de 40 % des flux finan-

ciers à destination des pays en développement sont absorbés par le service de la dette extérieure.

Si l'on n'y prend garde, bientôt les bénéfices de l'aide seront effacés par les rigueurs des servitudes qu'elle implique. C'est pourquoi notre président, M. George D. Woods, ne ménage pas ses efforts afin d'attirer sur ces problèmes l'attention des gouvernements et des institutions qui participent à l'effort mondial d'aide.

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J'espère avoir ainsi réussi à montrer que la politique de la Banque Mondiale et de l'I.D.A. n'est pas rigide mais constamment revue et reconçue à la lumière des besoins des pays que nous aidons dans ce creuset d'expérience et d'intégrité qui, je crois, est le nôtre.

Le dieu romain Plutus était représenté sous les traits d'un aveugle, sans doute parce qu'il pouvait ainsi mieux s'acquitter de sa tâche qui était de distribuer les richesses. Je crois que la Banque Mondiale, qui doit elle aussi distribuer aux moins nantis une partie des richesses du monde, a bien les yeux ouverts et c'est cela qui fait sa force.

Geoffrey M. WILSON.

GENERAL REPORTS

Interview with Mr Wilson

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NOSTRA INTERVISTA COL VICE-PRESIDENTE DELLA BANCA MONDIALE

L'ITALIA NON CI PRESTEREBBE
UN PO' DI QUATTRINI?

In venti anni di attività la Banca Mondiale ha concesso prestiti per 9700 miliardi, due terzi dei quali a paesi in via di sviluppo

La Banca Mondiale festeggia quest'anno il ventesimo anno della sua esistenza. Fondata nell'immediato dopoguerra, come organismo cooperativo con funzione di tramite pratico per il finanziamento internazionale di determinati progetti di ricostruzione e sviluppo, la Banca è andata differenziando e ingrandendo la propria azione sia direttamente sia attraverso la costituzione di due filiazioni, l'Associazione Internazionale per lo Sviluppo (IDA) e la Società Finanziaria Internazionale (IFC). Sull'attività della Banca, il vicepresidente della Banca stessa, Geoffrey Wilson, ha concesso quest'intervista all'Europeo economico.

Quali sono i rapporti tra la Banca Mondiale e l'Italia?

Dal 1951 in poi, a varie riprese, e sempre per progetti della Cassa del Mezzogiorno, abbiamo fornito all'Italia prestiti per circa 400 milioni di dollari. Nel 1961 abbiamo preso a prestito dall'Italia 25 milioni di dollari, al tasso del 5%. Se l'Italia ci facesse condizioni favorevoli quanto al tasso d'interesse saremmo lieti di prendere altro denaro a prestito; poiché siamo un organismo cooperativo, date le floride condizioni attuali delle riserve di valuta italiane, siamo invece riluttanti a concedere prestiti all'Italia. Per questo motivo, e poiché l'Italia gode di ampio credito in ogni parte del mondo, per l'Italia, come per altri tre paesi, il Giappone, la Norvegia e la Nuova Zelanda, abbiamo portato il tasso di interesse dei prestiti al 6,5%, vale a dire dello 0,5% in più del tasso normale.

Quale è il problema più serio che la Banca si trova a dover affrontare nell'attuale congiuntura mondiale?

Il fatto che i paesi in via di sviluppo tendano ad assumersi oneri per prestiti superiori a quelli che possono sopportare. Per questo abbiamo creato, nel 1956, l'IDA: attraverso l'IDA possiamo concedere prestiti a condizioni di grande favore, inammissibili da un punto di vista strettamente economico.

E' mai successo che la Banca abbia rifiutato prestiti per motivi di natura politica?

Le richieste sono esaminate dal punto di vista finanziario; devono riferirsi a progetti in fieri concreti e devono essere accompagnate da solide garanzie. Posso dire che non abbiamo mai prestato denaro a Cuba, ad esempio: né alla Cuba di Batista né a quella di Castro; al contrario, abbiamo concesso ampi prestiti alla Jugoslavia.

La Banca Mondiale gode di profitti annui dell'ordine dei 150 milioni di dollari. Non si è mai dato il caso di un prestito che non sia stato rimborsato. Qual è il segreto del successo della Banca?

I paesi che si sono accordati per fondare la Banca (e ora sono 103) sono garantiti per 25 miliardi di dollari di fondi, 5,7 dei quali sono garantiti dagli Stati Uniti. La garanzia e l'estrema cautela da noi usata nella concessione dei prestiti (qualcuno dice che siamo anche troppo cauti) hanno contribuito a dare questi risultati positivi. I paesi accipienti, inoltre, tengono gli impegni nei confronti della Banca al primo posto nell'elenco delle obbligazioni da osservare: perdere credito con noi significherebbe perderlo con i 103 paesi associati.

Quale è stata l'entità complessiva dei prestiti concessi dalla Banca e come sono stati utilizzati?

Abbiamo concesso prestiti per circa 9700 milioni di dollari. Due terzi o tre quarti della somma sono andati a paesi in via di sviluppo. Circa tre miliardi di dollari per la costruzione di impianti energogeni, tre miliardi per lavori nel campo delle comunicazioni e dei trasporti e il resto in impianti industriali, in progetti agricoli e nei settori ausiliari.

Come può sintetizzare la funzione della Banca in questi venti anni?

Uno dei principali strumenti internazionali per la canalizzazione delle riserve finanziarie dei paesi più ricchi verso i paesi più poveri.

Gianluigi Melega



GEOFFREY WILSON vice-presidente della Banca Mondiale: perdere credito con noi significa perderlo con 103 paesi.

Il Secolo XIX, Genova
March 17, 1966

PER INIZIATIVA DELLA SIOI

La conferenza di Wilson sulla "Banca mondiale"

Geoffrey Masterman Wilson, vice presidente della Banca internazionale per la ricostruzione e lo sviluppo (Banca mondiale) ha tenuto iersera nel salone della Camera di commercio di Genova una conferenza sul tema: "La politica dei prestiti della Birs".

Il signor Wilson ha già trattato lo stesso tema lunedì scorso a Milano e lo ripeterà oggi a Roma: questi contatti con il mondo finanziario ed industriale italiano che si svolgono ad iniziativa della società italiana per l'organizzazione internazionale (Sioi) sono stati ritenuti particolarmente opportuni per l'Italia, dato che esso è il solo paese membro il quale è interessato alla Birs come fornitore di fondi, beneficiario di prestiti e partecipante, attraverso

so le maggiori imprese di lavori pubblici, alle realizzazioni all'estero finanziate dalla Banca.

Il vice presidente della Birs ha ricordato, infatti che l'Italia, membro dell'organizzazione dal 1947, è all'ottavo posto come quota di capitale sottoscritto — 67 milioni di dollari — che rappresenta il 3,07 per cento del capitale della Banca e ha beneficiato di otto prestiti per un totale di 400 milioni di dollari, di cui l'ultimo nel giugno 1965, tutti erogati a favore della Cassa del Mezzogiorno ed ha, infine, partecipato a contratti ed appalti finanziati dalla Birs e utilizzati per beni d'investimento provenienti dal nostro paese per un totale di circa 254 milioni di dollari. Ciò rappresenta oltre tutto un consi-

derevole sviluppo delle nostre esportazioni di prodotti industriali verso paesi sottosviluppati. Tra i lavori effettuati da imprese italiane vanno ricordati la diga di Kariba, i lavori di bonifica e di irrigazione nell'alto Egitto e i lavori stradali in Argentina e in Uruguay.

Inoltre la Birs ha emesso in Italia nel 1961 obbligazioni per 24 milioni di dollari al 5 per cento per la durata di 15 anni. Un altro prestito di 100 milioni di dollari sarà lanciato dalla Birs in questi giorni e a tale emissione saranno interessate le banche centrali di tutti i paesi, ad eccezione degli Stati Uniti.

Attorno a questo quadro, che potremo chiamare italiano, Mr. Wilson ha tratteggiato quello che è «le portrait de famille» del gruppo della Banca mondiale, che comprende anche la Società finanziaria internazionale (Sfi) creata nel 1956 e l'Associazione internazionale per lo sviluppo (Ida) istituita nel 1960.

Ognuno dei tre organismi ha una particolare funzione e svolge attività ben delimitate, ma tutti insieme attuano un aiuto multilaterale ai paesi membri del «gruppo».

Il signor Wilson ha poi parlato della politica dei prestiti della Birs che è caratterizzata da alcuni canoni fondamentali: il finanziamento di specifici progetti, una partecipazione parziale ad ogni singola iniziativa (il che implica un diretto impegno del paese beneficiario al completamento del progetto), la considerazione della redditività del progetto finanziato nel senso che esso svolge un effetto efficace sull'insieme dell'economia del paese.

Proprio in funzione di tale caratteristica dei prestiti nonché della sua esigenza e prudenza, la Banca, nei vent'anni della sua attività, è stata in grado di non rifiutare un finanziamento per mancanza di fondi.

Wilson ha, infine, reso noto che la Banca ha messo a punto una convenzione internazionale per il regolamento delle controversie sugli investimenti privati, che è stata già firmata da 33 paesi, tra i quali l'Italia; essa, che potrà entrare in vigore non appena verrà ratificata da 20 paesi, rappresenterà uno strumento di indubbia utilità per aumentare la fiducia del capitale privato per gli investimenti nei paesi in sviluppo.

a. v.

Ore 12 Notte, Rome
March 20, 1966

CONFERENZA A ROMA DI G. M. WILSON

L'attività svolta dalla BIRS ed i suoi compiti istituzionali

Il Vice presidente della Banca Internazionale per la ricostruzione e lo sviluppo ha illustrato i numerosi servizi resi nel mondo dalla sua organizzazione — L'Italia, che partecipa al capitale della Banca ha ottenuto, tra l'altro, 40 milioni di dollari per la costruzione di una centrale elettronucleare

Nella conferenza tenuta sotto gli auspici della Società Italiana per la Organizzazione Internazionale, Mr. G. M. Wilson, Vice Presidente della Banca Internazionale di Washington, ha puntualizzato evoluzione e intendimenti di tale organismo.

Fondata nel 1944 alla Conferenza economica di Bretton Woods con un programma iniziale di finanziamenti nel campo della ricostruzione post-bellica europea, al subentrare del Piano Marshall la B.I.R.S. (Banca Internazionale per la Ricostruzione e lo Sviluppo) indirizzò ai Paesi in via di sviluppo i suoi aiuti.

La struttura della B.I.R.S. s'articola sulla Banca stessa e su due organismi aggiuntivi:

la Società Finanziaria Internazionale (al cui fondo di dotazione di 90 milioni di dollari l'Italia ha contribuito con 2 milioni di dollari) ha lo scopo di offrire prestiti ai Paesi sottosviluppati favorendo investimenti che possono effettuarsi senza garanzia governativa;

la I.D.A. (Associazione Internazionale per lo Sviluppo). Ultimo in ordine di tempo questo organismo, sorto nel 1960, vuole venire incontro alle esigenze dei Paesi sottosviluppati i cui bisogni di capitali esterni sono maggiori della loro possibilità di far fronte agli impegni relativi ai prestiti convenzionali.

Ne è una dimostrazione il fatto che nel '56 il debito dei Paesi sottosviluppati era calcolato 10.000 milioni di dollari e che negli ultimi dieci anni è aumentato di circa tre volte; derivava, pertanto, che in tali Paesi circa 1/10 delle entrate venivano assorbite da questi «servizi morti», dal pagamento cioè degli interessi.

A questo stato di cose la I.D.A. propone una soluzione

offrendo crediti a lunghissima scadenza (cinquantennali) con minimi interessi.

L'ammortamento di tali prestiti viene effettuato in valuta estera a partire dall'undicesimo anno con una quota annua dell'1% del capitale e del 3% per gli ultimi 30 anni.

L'IDA, che dall'Italia ha ricevuto un fondo di 48 milioni di dollari concede crediti con scopi analoghi a quelli della Banca: sviluppo industriale, creazione di infrastrutture, incremento della produzione di energia elettrica, dei trasporti ferroviari, ecc.

Una particolare menzione va fatta per l'agricoltura. I progetti di credito riguardanti lo sviluppo agricolo da parte dell'IDA e della Banca sono aumentati del 100% negli ultimi 2 anni; essi tendono, tramite accordi con la stessa FAO, a migliorare nei Paesi sottosviluppati le loro possibilità di reddito agricolo; in questo quadro devono intendersi anche i finanziamenti a grandi impianti di fertilizzanti, ecc.

Gli aiuti della Banca si estendono poi, tramite ac-

cordi con un altro organismo internazionale, l'Unesco (16 progetti di credito ultimati e oltre ad altri in via di elaborazione) alla preparazione di tecnici e a scopi educativi in genere.

Per quanto riguarda la struttura interna della Banca, i membri della BIRS sono i governi dei 103 Paesi che hanno sottoscritto il capitale sociale in proporzione alle loro risorse economiche. Ciascun Paese membro nomina un governatore nel Consiglio dei Governatori della Banca, Consiglio che delega la maggior parte dei suoi poteri a 20 amministratori esecutivi. Il diritto di ciascun amministratore esecutivo è strettamente connesso al capitale sottoscritto dal Paese o dai Paesi da lui rappresentati; pertanto rispetto ai 103 Paesi partecipanti la totalità dei voti risiede praticamente nelle mani degli USA (3 decimi), G.B. (1/10), Francia, Germania, Italia e Giappone si trovano all'ottavo posto in graduatoria. Per quanto riguarda l'amministratore esecutivo, l'Italia, che si trova nel gruppo della Spagna, Portogallo, Grecia è rappresentata da uno spagnolo.

La base della BIRS poggia sulla fiducia che essa riscuote in campo internazionale, i suoi fondi infatti provengono sia dalla sottoscrizione dei suoi membri, ai quali richiede solo un parziale versamento degli impegni sottoscritti (l'intero

ammontare viene richiesto dalla BIRS solo in funzione di determinate circostanze di particolare urgenza); la somma, infatti, finora utilizzata o impegnata dalla Banca è di circa 1800 milioni di dollari, inferiori alla metà dei fondi ottenibili complessivamente; sia da prestiti sul mercato libero mondiale (circa 3.000 milioni di dollari). Riguardo l'Italia la BIRS nel '61 emise un prestito sul mercato degli investimenti italiani con buoni quinquennali del 5 per cento.

Infine 600 milioni di dollari accumulati dai prestiti passati.

L'oratore ha trattato infine la posizione dell'Italia nei confronti della Banca Mondiale, posizione quella italiana con la BIRS, di reciproco vantaggio; infatti quale Paese industriale, la Italia ha goduto di particolari benefici nell'ambito della Cassa del Mezzogiorno.

L'Italia in questo ventennio di attività della BIRS, su un totale di 9,5 miliardi di dollari di prestiti concessi dalla Banca, ne ha usufruito per 400 milioni mentre ha partecipato con una emissione obbligazionaria per 25 milioni di dollari al 5%. I prestiti concessi alla Cassa del Mezzogiorno, in numero di 8 dal '52 ad oggi, si sono attenuti agli scopi generali perseguiti

dalla Banca: sviluppo industriale cioè, agricolo ed energetico. Possiamo ricordare la centrale nucleare sul Garigliano (con un prestito di 49 milioni di dollari) e concludere con gli ultimi prestiti riguardanti iniziative in Sicilia e Sardegna.

Mr. Wilson faceva notare infine come i Paesi industriali debbano pagare un interesse maggiorato dell'1 per cento rispetto a quanto pagherebbero i sottosviluppati; tuttavia il tasso d'interesse anche così incrementato risulta sempre equilibrato e concorrenziale con quanto è possibile tenere in campo internazionale.

I Paesi in via di sviluppo, inoltre, preferiscono ricorrere alla Banca piuttosto che contrarre prestiti bilaterali, evitando, così, di vincolarsi ad un unico Paese e potendo anzi acquistare liberamente sul mercato mondiale. Ciò è stato vantaggioso nel caso italiano, grazie ai prestiti della BIRS infatti, l'Italia ha visto aumentare di circa 4 volte il volume delle esportazioni verso i Paesi beneficiari dei prestiti per un valore complessivo di 250 milioni di dollari, inoltre le sue imprese e i suoi imprenditori sono in notevole ascesa nel campo de lavoro mondiale.

SILVIO BARONCHELLI

GENERAL REPORTS

Il Sole - 24 Ore, Milan
March 15, 1966

I RAPPORTI TRA L'ITALIA E LA BIRS

LA POLITICA DEI PRESTITI
DELLA BANCA MONDIALE
ILLUSTRATA A MILANO
DAL VICEPRESIDENTE G. M. WILSON

«La politica dei prestiti della Banca Mondiale» è stato l'argomento di una conferenza tenuta ieri sera, alla sede milanese della Società italiana per l'Organizzazione internazionale, dal vicepresidente della Banca, Geoffrey M. Wilson. La manifestazione rientra in un ciclo di iniziative per più stretti contatti tra il mondo finanziario ed economico europeo e il gruppo della Banca Mondiale, che comprende anche la Società Finanziaria Internazionale e l'Associazione Internazionale per lo Sviluppo. Nei vent'anni della sua attività, ha detto Mr. Wilson, la Banca non ha mai rifiutato di finanziare un prestito per mancanza di fondi: se la Banca ha dovuto limitare la sua azione, è stato a causa di progetti economicamente ingiustificati, o perché i Paesi candidati non presentavano garanzie creditizie sufficienti. E' proprio perché la Banca è stata esigente e prudente, che ha potuto affermarsi sui mercati finanziari e conseguentemente trovare dei fondi per le sue operazioni, che sono caratterizzate da un'assoluta originalità d'impostazione.

Canoni fondamentali

La politica di prestiti della Banca, ha proseguito l'oratore, segue alcuni canoni fondamentali, che prevedono ad esempio solo il finanziamento di specifici progetti (ad esclusione quindi di una generica assistenza di bilancio), una partecipazione parziale ad ogni singola iniziativa, il che implica un diretto impegno del Paese al completamento del progetto stesso. Un altro criterio seguito è quello della redditività del progetto finanziato: redditività non soltanto di bilancio, ma che tenga anche conto dell'efficacia economica del progetto sull'insieme dell'economia del Paese. Ciò implica, da parte della Banca, un certo empirismo operativo, oltre alla possibilità di accordi con organizzazioni di qualunque tipo, dagli istituti di credito nazionali alle organizzazioni come la FAO e l'UNESCO.

Mr. Wilson ha quindi ricordato l'iniziativa della Banca tendente a mettere in opera una convenzione internazionale per il regolamento delle controversie sugli investimenti, alla quale l'Italia ha già dato la sua adesione, e che potrà essere uno strumento di estrema utilità per aumentare la fiducia del capitale privato per gli impieghi nei Paesi in sviluppo.

La Banca conta attualmente centotrenta Paesi membri, e nei suoi vent'anni di attività ha erogato, oltre nove miliardi e mezzo di dollari di prestiti. Questa imponente attività, alla quale si affiancano le meno ingenti ma pur sempre notevolissime realizzazioni della SFI e dell'IDA, è stata svolta seguendo criteri che via via si sono adeguati alle mutate caratteristiche dei mercati monetari e delle aree economiche in cui le varie istituzioni sono state chiamate ad operare. Dalle condizioni del primo dopoguerra, quando la maggior parte dei crediti è stata destinata

ai Paesi europei e si poteva ottenere denaro fresco quasi esclusivamente sul mercato nordamericano, si è passati ad un più stabile equilibrio finanziario USA-Europa, e all'insorgere, talora in termini drammatici, dei problemi dei Paesi in sviluppo.

L'Italia si è trovata a sostenere, in questa evoluzione, un ruolo praticamente unico: Paese «ricco» a moneta convertibile, ha visto il felice piazzamento di una emissione obbligatoria di 24 milioni di dollari sul proprio mercato, oltre ai grossi acquisti, effettuati dagli Istituti di credito italiani, di certificati di credito della Banca. Paese «povero», ha beneficiato di parecchi prestiti alla Cassa per il Mezzogiorno, che hanno permesso uno sviluppo delle infrastrutture anche quando il mercato monetario italiano non sembrava in grado di ricevere nuove emissioni obbligatorie statali.

Contratti e appalti

Oltre a questa originale caratteristica dei rapporti tra Italia e BIRS, c'è il rilevante ruolo svolto dalle nostre imprese nell'acquisire nei Paesi del Terzo Mondo i contratti e gli appalti finanziati coi prestiti della Banca; finora il valore delle iniziative realizzate da aziende italiane, o utilizzanti beni d'investimento provenienti dall'Italia, è dell'ordine dei 400 milioni di dollari, il che rappresenta un contributo non indifferente allo sviluppo delle nostre esportazioni di prodotti industriali, verso aree ove l'influenza tecnica britannica, americana e francese era assolutamente predominante.

Oltre all'azione svolta su un piano puramente creditizio, il gruppo della BIRS, tramite l'IDA, ha in corso vasti programmi di aiuto ai Paesi che si trovano in più urgenti difficoltà creditizie, accordando prestiti che possono andare fino a cinquant'anni, senza interesse, gravati unicamente di una commissione dello 0,75%. Alla fine del prossimo anno, l'Italia avrà partecipato al programma dell'IDA per un totale di 48,2 milioni di dollari. In questo modo l'insufficienza cronica di capitali per i Paesi in sviluppo è stata in parte alleviata, anche se oggi, in parecchi Paesi, circa la metà del flusso netto di capitali dall'estero è destinata a coprire gli interessi dei debiti già accumulati.

La posizione dell'Italia su questo problema, tratteggiato tra l'altro anche nel recente convegno di Carimate, dà una spiccata preferenza alle formule di aiuto multilaterale, come appunto quella della BIRS, data anche la mancanza di diretti interessi politico-strategici da difendere dei Paesi in sviluppo. Ne consegue una sempre più ampia possibilità, per le nostre imprese, di potersi inserire nello sforzo finanziario e industriale che il Terzo Mondo sta compiendo.

Mr. Geoffrey M. Wilson parlerà domani sullo stesso argomento alla Camera di Commercio di Genova.

Corriere Della Sera,
Milan, March 15, 1966

Prestito BIRS

per cento milioni di dollari

La Banca mondiale emetterà in questi giorni un prestito obbligazionario di cento milioni di dollari (oltre 62 miliardi di lire) all'interesse annuo del 6 per cento. Il prestito sarà collocato presso le banche centrali di diversi Paesi membri, esclusi gli Stati Uniti. Lo ha annunciato questa sera a Milano il vice-presidente della Banca, Geoffrey M. Wilson, nel corso di una conferenza sulla politica dei prestiti della Banca mondiale.

La BIRS fondata, come è noto, nel luglio 1944 alla conferenza economica tenutasi a Bretton Woods in America, concede prestiti per lo sviluppo economico finanziando investimenti produttivi nei Paesi membri (che sono 103) qualora il capitale privato non sia disponibile a condizioni favorevoli. Negli ultimi anni la banca mondiale ha riservato alle aree meno sviluppate del mondo una percentuale sempre maggiore dei propri fondi, raccolti principalmente con l'emissione di prestiti obbligazionari. Al 31 luglio la banca aveva concesso 386 prestiti per un totale di oltre 7700 milioni di dollari per il finanziamento di oltre 800 progetti in 73 Paesi o territori.

La politica dei prestiti della Banca mondiale — come ha detto il suo vice presidente — è caratterizzata da alcuni canoni fondamentali, che prevedono, ad esempio, solo il finanziamento di specifici progetti (ad esclusione, quindi, di una generica assistenza di bilancio), una partecipazione parziale ad ogni singola iniziativa, e la redditività del progetto finanziato: redditività non soltanto di bilancio, ma che tenga anche conto dell'efficacia economica del progetto sull'insieme dell'economia del Paese.

L'Osservatore Romano,
Vatican City,
March 16, 1966

I prestiti della Banca internazionale

MILANO, 15.

«La politica dei prestiti della banca mondiale» è stato il tema di una conferenza tenuta nella sede milanese della società italiana per l'organizzazione internazionale, dal vicepresidente della banca internazionale per la ricostruzione e lo sviluppo, Geoffrey M. Wilson.

Nei vent'anni della sua attività — ha detto tra l'altro l'oratore — la banca non ha mai rifiutato di finanziare un prestito per mancanza di fondi: se la banca ha dovuto limitare la sua azione, è stato a causa di progetti economicamente ingiustificati, o perché i paesi candidati non presentavano garanzie creditizie sufficienti.

La politica di prestiti della banca — ha proseguito — è caratterizzata da alcuni canoni fondamentali, che prevedono ad esempio solo il finanziamento di specifici progetti (ad esclusione quindi di una generica assistenza di bilancio) e una partecipazione parziale ad ogni singola iniziativa, il che implica un diretto impegno del paese interessato al completamento del progetto stesso. Un altro criterio seguito è quello della redditività del progetto finanziato.

Il Globo, Rome
March 18, 1966

UNA CONFERENZA DEL PRESIDENTE WILSON

La Birs ha concesso in 20 anni prestiti per 5900 miliardi di lire

Dai paesi beneficiari l'Italia ha ricevuto ordini per 155 miliardi di lire

Geoffrey M. Wilson, vicepresidente della Banca Mondiale di Washington, ha concluso ieri sera a Roma un ciclo di conferenze in Europa, presentando, in una manifestazione indetta dalla Società italiana per l'organizzazione industriale, la politica di prestiti svolta dalla Banca.

L'attività svolta nel ventennio intercorso dall'inizio delle operazioni, può riassumersi nelle seguenti cifre: oltre 9,5 miliardi di dollari di prestiti concessi (pari a circa 5900 miliardi di lire), di cui 400 milioni all'Italia, tutti assorbiti dalla Cassa per il Mezzogiorno. L'Italia ha anche partecipato, con un'emissione obbligazionaria per 15 miliardi al 6%, alla raccolta di mezzi finanziari della Banca, della quale fanno parte attualmente 103 paesi.

Per quanto concerne ancora il ruolo svolto dall'Italia nelle ope-

razioni della Birs, Wilson ha rilevato che alle imprese italiane sono andati ordini, da parte dei paesi beneficiari di prestiti, per oltre 250 milioni di dollari (circa 155 miliardi di lire). L'Italia inoltre ha fornito due milioni di dollari sul fondo di dotazione iniziale della Società finanziaria internazionale, e un contributo di 48 milioni di dollari all'Associazione internazionale per lo sviluppo; entrambe queste istituzioni fanno parte del gruppo della Banca Mondiale.

I criteri di base che la Banca segue nella sua attività, ha aggiunto l'oratore, sono quelli della sicurezza dell'investimento effettuato, della sua redditività e della liquidità. Ne consegue la necessità di una politica operativa basata su un certo empirismo e su una profonda conoscenza di base dei problemi di investimento da affrontare.

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(Continued from preceding page)

grond. Investeringsen in die landen brengen veel hoofdbreken naast de financiële risico's. Geofende arbeid, passende fabrieksuitrusting e.d. Men werkt daar onder andere omstandigheden dan in de geïndustrialiseerde landen, waar men zoveel mogelijk arbeidsparende methoden toepast. In ontwikkelingslanden moet men het meer in arbeidsintensieve methoden zoeken. Daartoe is in 1981 te Utrecht een proefabriek opgericht waarin productieprocessen worden ontwikkeld aangepast aan de omstandigheden in de betrokken landen.

Op het ogenblik heeft Philips in 48 ontwikkelingslanden een staf van 350 man, belast met de training van inheemse stafemployés; 60 tot 90 pct. van de leidende functionarissen bij Philips' bedrijven in ontwikkelingslanden worden thans bezet door lokale krachten. Ook te Utrecht en in het Telecommunicatie Instituut te Hilversum volgen jaarlijks honderden technici uit ontwikkelingslanden een trainingscursus.

Philips doet dit, zoals het artikel eerblijk zegt, uit een welbegrepen eigenbelang, om een zo groot mogelijk rendement te krijgen van de investering in die landen. De belangen van die landen en die van Philips gaan hier volkomen parallel. En, wat het voornaamste is, hier brengt particuliere investering praktische ontwikkelingshulp die zeker, zo nodig, garantie voor politieke risico's verdient.

EUROPESE BEGROTINGS-
PROGNOSES

MEN zal er rekening mee moeten houden, dat in de eerstvolgende jaren de kapitaalstroom naar de ontwikkelingslanden door de kapitaalschaarste niet zal stijgen, tenzij, door de toenemende arbeidseisen hier, de produktie van allerlei artikelen lonender worden in de ontwikkelingslanden. M.a.w. dat de Europese industrie eenzelfde politiek zou gaan voeren als de Amerikaanse ca. vijftien jaar geleden tegenover West-Europa.

Maar de officiële hulp zal beperkt worden door de interne kapitaalbehoeften van de Europese staten. Deze zijn reusachtig. De Duitse minister van financiën Dahlgren heeft in zijn „Finanzbericht 1966" een poging gedaan een prognose op middellange termijn, (zoals die voor de economie door de Europese Commissie wordt aanbevolen) voor de staatsfinanciën te geven. De uitgaven zullen tot 1970 toenemen van 68.1 miljard DM tot 86.1 miljard in 1970, voor 90 pct. al door de wettelijk verplichte uitgaven. Hij becijfert een financieringstekort, dat van DM 1.3 miljard in 1966 tot 6,9 à 7,9 miljard in 1969 zal stijgen om in 1970 blijvend te dalen tot 5 à 6 miljard. En dat terwijl op het ogenblik de Duitse schatkist het 1,3 miljard deficit van dit jaar niet eens behoorlijk op de kapitaalmarkt kan dekken. De minister is er van overtuigd, dat zelfs bij een verbetering op de kapitaalmarkt, de financieringsdeficitten voor nauwelijks één derde te dekken zijn met kredietmiddelen.

Zou minister Vondeling er ook niet goed aan doen zo'n prognose voor de eerstkomende jaren te geven? Of zou hij bang zijn, dat die prognose, gezien de uitgavenpolitiek van het kabinet-Cals, nog ongunstiger zou moeten uitvallen dan die van zijn Westduitse collega?

AMSTERDAM BLIJFT ZWAK

ZEKER is, dat de ongeanimeerde tendens ter beurze mede veroorzaakt wordt door die financiële politiek. De kapitaalmarkt ziet met bezorgdheid de emissies van ettelijke honderden miljoenen van de schatkist, de BNG de Gasunie tegemoet. De aandelenmarkt is bevreesd, dat zowel de belasting- als de arbeidsmarktpolitiek zullen leiden tot verdere inkrimping van de winstmarges bij de ondernemingen, waardoor de financiering van de investeringen bemoeilijkt wordt.

Toch uit deze bezorgdheid en vrees zich niet in belangrijke verkopen door beleggers, tenzij de noodzaak daartoe bestaat in verband met betaling van belastingen of andere vervallende schulden. Het verlies dat men op het ogenblik zowel op aandelen als op obligaties bij verkoop lijdt weerhoudt waarschijnlijk velen dan tot verkoop, maar anderzijds zijn verdere financieringsmogelijkheden via bank- of hypothecair krediet thans zeer beperkt. Het te geringe aanhouden van voldoende liquiditeiten door de particuliere belegger (ook al door de geringe neiging daartoe in verband met de permanente geldontwaarding) wrekt zich dan en draagt bij tot de afbrokkeling van de effectenkoersen, niettegenstaande de bedrijfsresultaten over 1965 die tot nu toe werden gepubliceerd over het geheel gunstig genoemd mogen worden, en in vele gevallen hogere dividenden toelaten. De beurs reageert hierop maar matig. Waarschijnlijk ook uit de overweging dat de verslagen die minder fraaie resultaten te zien geven gewoonlijk de hekkesluiters zijn.

Een uitzondering vormden deze week de scheepvaart aandelen, dank zij de resultaten van de Stoomvaart Mij. Nederland en de dividendverhoging van de Rotterdamsche Lloyd, die anders geen scheutige dividendpolitiek volgt. Men moet hierbij in aanmerking nemen, dat de grote lijnrederijen de laatste jaren ook andere activiteiten hebben aangetrokken en verder ook, dat scheepvaartfondsen in vorige haussejaren vrijwel niet in de koersstijging hebben gedeeld.

Dit is echter een lokale opleving, die wordt overschaduwd door de nog steeds ongeanimeerde tendens voor de internationals, die grotendeels wordt beheerst door de internationale beurstemming.

In de afgelopen week werden er nieuwe dieptepunten voor vrijwel alle sectoren geregistreerd. KLM was een „rara avis": de koers van dit fonds schoot als een meteor omhoog in sympathie met Wall Street.

Aandelen Fokker toonden weinig invloed van de mededeling dat de Indonesische regering het contract voor de levering van twintig Fokker-Friendshipvliegtuigen heeft getekend. Of zij kunnen worden geleverd is een andere vraag. De Britse regering wil tot dusver geen toestemming geven voor de levering van de vereiste Rolls-Royce-motoren, zolang Indonesië zijn confrontatiepolitiek ten opzichte van Maleisië niet wijzigt. De mogelijkheid van zo'n wijziging lijkt in het licht van de laatste ontwikkelingen echter aanwezig.

Met de levering van deze toestellen is een bedrag van ongeveer f 60 mln. gemoeid. Hoewel de gemachtigde van de maatschappij nog in Indonesië vertoef en er dus nog geen volledige zekerheid bestaat, mag worden aangenomen dat de financiering rond is. Bij de ondertekening van het contract moet een bepaald bedrag worden gestort. Het leveringschema van de vliegtuigen is voorts aangepast aan het betalingsschema, dat tot 1970 loopt.

Diario de Lisboa

March 18, 1966

Foi preconizado
um sistema de garantia
dos investimentos
privados
no estrangeiro

A Câmara de Comércio Internacional publicou, no dia 15 deste mês, uma declaração preconizando a criação, o mais brevemente possível, de um sistema internacional de garantia dos investimentos privados no estrangeiro, contra os riscos políticos. Um tal sistema contribuirá para estimular a corrente internacional dos capitais privados, em particular dos que se destinam aos países em via de desenvolvimento.

Esta declaração, publicada simultaneamente pelo secretariado internacional em Paris e pelos «Comités Nacionais da C.C.I. de todo o Mundo, foi submetida ao B.I.R.D. (Banco Internacional de Reconstrução e Desenvolvimento), em Washington.

O Banco Mundial estuda actualmente um projecto de garantia dos investimentos, estabelecido pela O.C.D.E. (Organização de Cooperação e de Desenvolvimento Económico).

As propostas da O.C.D.E. fundam-se, aliás, em parte, num inquérito conjunto conduzido pela C.C.I. e pelo B.I.R.D., junto de mais de 500 empresas de 21 países, a fim de se conhecer os pontos de vista e as necessidades dos meios económicos.

A Câmara de Comércio Internacional encara um sistema multilateral no quadro do qual os Governos e os países exportadores de capitais garantiriam colectivamente os futuros investimentos privados contra os riscos não-comerciais, mediante o pagamento de um prémio. Esse sistema deveria, segundo a C.C.I., ficar sob os auspícios do Banco Mundial.

Il Sole - 24 Ore, Milan

March 13, 1966

Conferenza
Geoffrey Wilson
sulla Banca
Mondiale

Per iniziativa della Società Italiana per l'Organizzazione Internazionale, lunedì 14 marzo alle ore 18, nella sede di Palazzo Reale, il sig. Geoffrey M. Wilson, vice presidente della Banca Internazionale per la Ricostruzione e lo Sviluppo, terrà una conferenza sul tema: «La politica dei prestiti della Banca Mondiale».

Il Giorno, Milan

March 15, 1966

Prestito di 100
milioni di dollari
della Banca Mondiale

«La Banca Mondiale lancerà in questi giorni un prestito obbligazionario per cento milioni di dollari al 6 per cento, che interesserà le banche centrali di tutti i paesi ad eccezione degli Stati Uniti». Lo ha annunciato ieri a Milano Geoffrey M. Wilson, vice presidente della Banca Mondiale, nel corso di una conferenza stampa in cui ha tracciato un consuntivo della attività dell'istituto da quando venne creato, vent'anni or sono.

Wilson ha infine ricordato l'iniziativa della Banca tendente a mettere in opera una convenzione internazionale per il regolamento delle controversie sugli investimenti.