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Topic : World bank

## **World Bank**

### **Introduction**

The Bretton Wood Conference , formally known as the United Nations Monetary and Financial Conference, was the gathering of 730 delegates from all 44 allied Nations at the Mount Washington Hotel, situated in Bretton Wood, New Hampshire, United States, to regulate the international monetary and financial order after the conclusion of world war II.

The conference was held from July 1 to 22 ,1944. Agreements were signed that, after legislative ratification by member governments ,established the International Bank for Reconstruction and Development (IBRD) and IMF.

In 1960, International Development Association (IDA) was established to complement the existing IBRD by lending to developing countries which suffer from the lowest gross national income, from troubled creditworthiness, or from the lowest per capita income. Together, **IDA and IBRD are collectively generally known as The World Bank**, as they follow the same executive leadership and operate with the same staff.

### **International Bank for Reconstruction and Development (IBRD) :**

IBRD basically formed to grant Reconstruction loans to the war devastated countries.

### **IDA:**

The IDA's stated aim is to assist the poorest nations in growing more quickly, equitably and sustainably to reduce poverty.

### **Objectives:**

- **Reconstruction and Development**
- **Encouragement to capital investment**
- **Encouragement to international trade**
- **Establishment of peace time economy**

- **Environment protection**
- **Infrastructure development**
- **Loans for meeting deficit in Balance of Payment**

**Functions of World Bank:**

1. Granting Reconstruction loans to war devastated countries.
2. Granting development loans to underdeveloped countries.
3. Providing loans to governments for agriculture, irrigation, power, transport, water supply, health, education etc
4. Providing loans to the private concerns for specified projects.
5. Providing technical, economic and monetary advice to member countries for specified projects.
6. Encouraging industrial development of underdeveloped countries by promoting economic reforms
7. Promoting foreign investment by guaranteeing loans provided by other organizations