



NEWS RELEASE

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CONGRESS FACES NEW OPPORTUNITY TO PROMOTE SWEEPING REFORMS OF WORLD BANK, IMF

Within the context of diminishing foreign aid budgets, Congress must concentrate on the quality of the development programs and institutions that are funded by American taxpayers, the U.S. 50 Years Is Enough Campaign urged today. The Campaign believes that, when held to high standards of performance and effectiveness, the World Bank and the International Monetary Fund fall short of the mark.

"Congress needs to decide whether the institutions it funds are doing all in their power to maximize the impact of our foreign aid dollars. For the World Bank and IMF, the answer must be no," said Lori Udall, Washington Director of the International Rivers Network, a co-founder of the Campaign. "Congress, then, should leverage the necessary reforms by conditioning funds for these institutions on guarantees that changes will be made. Unless the World Bank and IMF make demonstrable reforms, U.S. foreign aid funds should be redirected to accountable institutions with proven records of promoting successful development and that place a priority on projects and programs involving local participation, resources and skills."

The Campaign supports foreign aid that is equitable, environmentally sustainable, accountable and democratic. Member organizations back many bilateral, multilateral and private aid strategies. "We would like nothing better than to support lending programs of the World Bank and IMF that actually contribute to improving the lives and the environment of those most in need--the poor, women and children. But they have to give us programs we can support. The current lending practices of these institutions have done more to line the pockets of the rich than to help the poor raise their standard of living," said Marijke Torfs, International Programs Director for Friends of the Earth-U.S., another founding member of the Campaign.

"Unless there are profound changes, the Bank and the Fund will continue to hemorrhage money through their failed programs and misguided priorities," Torfs said. "It would be fiscally irresponsible for Congress to continue to fund these institutions without a clear commitment for reforms. Many World Bank and IMF programs funded by the American taxpayer are actually harmful to the poor and the environment. "

The 130 member organizations of the U.S. 50 Years Is Enough Campaign, which represent over six million Americans, are united by a common platform that details a comprehensive program of reform for the Bretton Woods institutions through a major restructuring and downsizing of their operations, funding, roles and power.

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Among the reforms outlined in the Campaign's platform:

- Institutional reform to make openness, full public accountability and the participation of affected populations in decision-making standard procedures at the World Bank and IMF.
- A shift in the nature of economic-policy reform programs away from current structural adjustment programs toward those that support equitable, sustainable and participatory development.
- An end to all environmentally destructive lending and support for more self-reliant, resource-conserving development that preserves biodiversity.
- The scaling back of the financing, operations, role and the power of the World Bank's IBRD and the IMF and the rechanneling of the financial resources thereby made available into a variety of development assistance alternatives.
- Removal of IDA (International Development Association) and GEF (Global Environment Facility) from World Bank control.
- A reduction in multilateral debt to free up additional capital for sustainable development.

"Americans want their tax dollars to be spent wisely," said IRN's Udall. "In the area of foreign aid, that translates into development programs that encourage democratic decision-making, promote environmental sustainability and offer a means for the poor to improve their lives. If the World Bank and IMF wish to continue as major international lending institutions, they must make profound changes in the way they do their business. The challenge is theirs."

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The not-so-golden 50th anniversary year of the World Bank and IMF has ended, but not so the work of the U.S. 50 Years Is Enough Campaign. The members of the Campaign will continue in 1995 to press for restructuring and reform of the international financial institutions as outlined in the Campaign's platform.

"The tremendous growth of the Campaign throughout the United States has been in part due to the recognition by member organizations that whatever their field of primary interest--education, health, human rights, the environment, labor--it is being adversely affected by the policies of the World Bank and IMF," said Doug Hellinger of The Development GAP, another founding member of the Campaign. "For the first time, a coalition of millions of Americans from all walks of life is telling policy-makers that the World Bank and IMF must change if the interests of the world's poor--and the American taxpayer--are to be served. Congress and the Administration must hear that message."

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NOTE TO JOURNALISTS--A copy of the U.S. 50 Years Is Enough Campaign's platform and other materials detailing the reforms necessary to the World Bank and IMF may be obtained by calling the Media Office at 202 879 3187 or faxing your request to 202 879 3186.