



Bretton Woods, New Hampshire, 1946.  
Photo © World Bank Archives

## PROLOGUE

# Bretton Woods— Genesis of the World Bank



On July 1, 1944, an extraordinary group of international finance experts gathered in Bretton Woods in the shadow of the White Mountains of New Hampshire to discuss the regulation of the international monetary system and a strategy to rebuild from the wreckage of World War II.

The meeting, orchestrated by the United States and the United Kingdom, included delegates from 44 countries and was convened while the war still raged and many of Europe's greatest cities were in ruins. The old banking and commercial systems that had sustained the global economy were in shambles.

In the meeting, a new model was created to avoid a repeat of the mercantile debacles that flowed from the Treaty of Versailles after World War I. Many countries had retreated into protectionism, devaluing their currencies and erecting trade barriers in a futile attempt to avoid economic collapse in the Great Depression.

The Bretton Woods meeting, formally called the United Nations Monetary and Financial Conference, laid the foundations for a new financial world order with two institutional pillars: the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD), which later became known as the World Bank.

The IMF would ensure exchange-rate stability and assist countries in responding to balance of payments difficulties, while the World Bank would offer loans to countries for postwar reconstruction and development projects. The World Bank laid out in its articles of agreement the principles that have governed its borrowing in the capital markets and its loan-making for the last 70 years.



Chairmen of Delegations attending the United Nations Monetary and Financial Conference (Bretton Woods, New Hampshire), July 1–22, 1944. Photo © International Monetary Fund

***“History is being written today as we execute these documents and breathe the breath of life into the International Monetary Fund and the International Bank for Reconstruction and Development. We can be thankful that the history we are now writing is not another chapter in the almost endless chronicle of war and strife. Ours is a mission of peace—not just lip service to the ideals of peace—but action, concrete action, designed to establish the economic foundations of peace on the bedrock of genuine international cooperation.”***

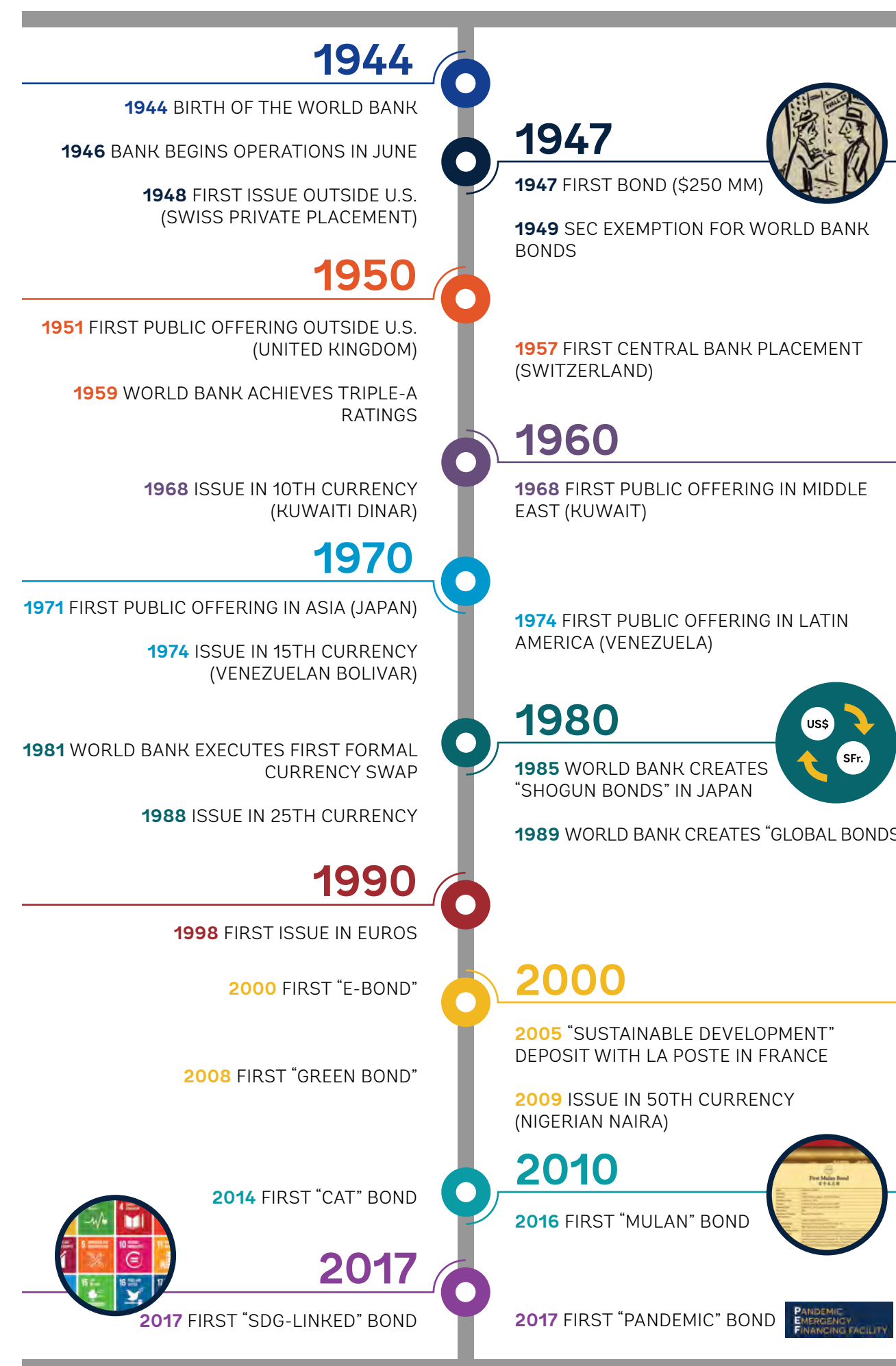
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Fred Vinson, U.S. Secretary of the Treasury, Washington, D.C., December 27, 1945



**“One of the great achievements of my predecessors in the World Bank Treasury was that, not only were they able to pull all of the pieces together to make those early bonds successful in the market, but they actually helped create infrastructures for markets that were usable by multiple borrowers around the globe. By linking capital markets to development through a constant stream of innovations, the World Bank has remained the driver of global development for the last 70 years.”**

Gary Perlin, World Bank Treasurer, 1996–1998





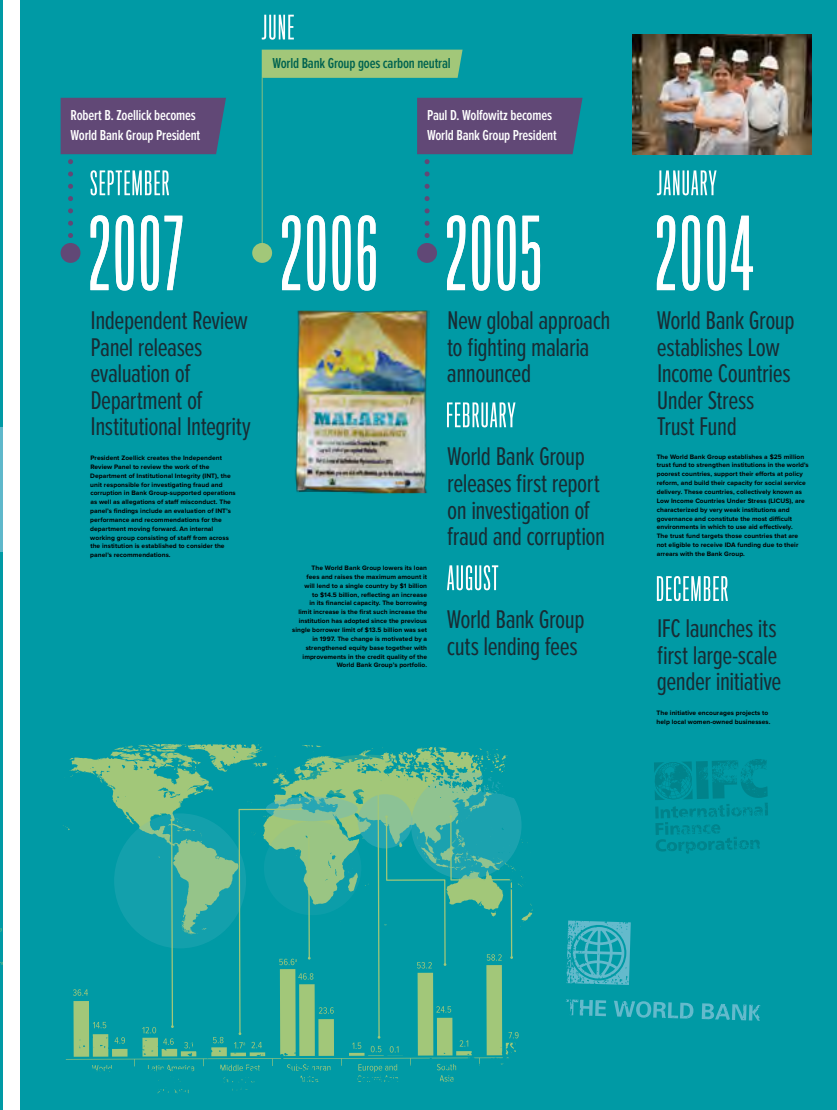
# World Bank Group History (2004–2018)



Three priorities guide the World Bank Group's work to end poverty and boost prosperity for the poorest people: inclusive and sustainable economic growth, investment in human capital, and building resiliency to global crises. The surest path out of poverty is sustainable economic growth. Investing in education, healthcare, water, sanitation, energy systems, and the capacity to recover from crises and natural disasters, all help populations continue their progress.

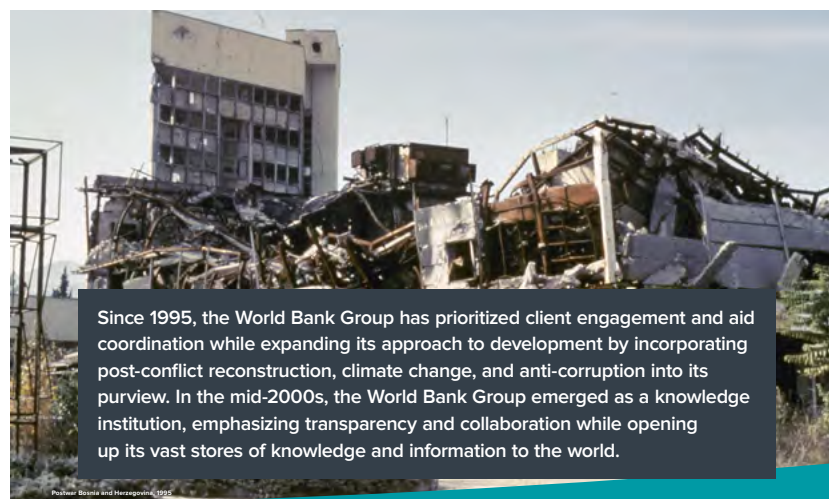


# NOW





# World Bank Group History (1983–2003)



DECEMBER

World Bank Group begins its annual  
Community Connections charity campaign

FEBRUARY

2003

World Bank Group  
approves first  
Programmatic  
Adjustment Loan

The first Programmatic Adjustment Loan  
to the Republic of Bulgaria focuses on increasing  
employment, strengthening its social insurance  
environment, strengthening the financial sector,  
improving public sector governance, and investing  
in human capital by providing social programs.

JULY

Commercial banks  
adopt IFC model for  
Equator Principles

NOVEMBER

Master Derivatives  
Agreement reverts  
to first swap  
transaction

The governments of Bulgaria and the  
World Bank Group agree a Master  
Derivatives Agreement (MDA), which  
allows the parties to enter into a series  
of derivatives transactions. It is designed  
to enable Bank Group clients to access  
Bulgarian markets in relation to currency  
risk, energy, capital markets, and, as a  
consequence, to enhance liquidity, transparency

JUNE

2002

World Bank  
Group appoints  
Disability Advisor

World Bank Group appoints Judith E.  
Hemmen as its first Disability and  
Development Advisor. The appointment  
serves as a vital step in bringing  
mainstream attention to the  
multifaceted dimensions of disability  
in Bank Group's work with client  
countries and in the country-based  
employment and policy development

MARCH

2000

International  
Financial Institution  
Advisory Committee  
releases its report

Authorized by the U.S. Congress in November  
1998, the International Financial  
Institution Advisory Committee (IFIAAC) has  
Completed its review of the Bank Group's  
Comprehensive Development Framework  
and released its report. The report is  
highly critical of the Bank Group's  
International Financial Fund and recommends  
that the role of the fund be restructured.

APRIL

President Wofensohn  
welcomes Jubilee  
2000 debt relief  
rally

MARCH

1999

Executive Directors  
endorse Comprehensive  
Development  
Framework

The Comprehensive Development Framework  
(CDF) addresses the lack of inclusion in the  
development process by those most in need and of  
risk. The CDF focuses on the international principles  
and approaches that are central to the country and of  
long-term vision and strategic, enhanced country  
ownership of development goals and actions, more  
strategic partnership among stakeholders, and  
accountability for development results.

SEPTEMBER

World Bank Group  
launches new  
HIV/AIDS strategic plan

World Bank Group launches a strategy designed to  
the world's increasing burden of HIV/AIDS in  
Africa, particularly in sub-Saharan Africa.  
The strategy aims to help Africa's most vulnerable  
people and countries to prevent the spread of  
HIV/AIDS. The World Bank Group is an early participant  
in the Global Fund to Fight AIDS, Tuberculosis  
and Malaria (GFATM) and is an early participant  
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and Malaria (GFATM).

2000s

Public Sector and Management 100

DECEMBER

1998

IFC emphasizes sustainability

IFC adopts new environmental and social screen procedures and safeguard policies.

APRIL

1997

Strategic Compact funding approved

The Strategic Compact consists of a number of initiatives aimed to clarify the objectives of the World Bank Group and address issues of accountability. Its goals include integrating responsiveness to client needs, developing a broader range of products and services, shifting resources to the front line, fostering decentralization, Bank Group activities, increasing staff expertise and technical capacity, and better sharing of global knowledge on development with clients and partners.

OCTOBER

1996

Heavily Indebted Poor Countries initiative approved

World Bank Group and the International Monetary Fund jointly approve the Heavily Indebted Poor Countries Debt Initiative, a comprehensive agreement to reduce the high external debt burdens of some of the poorest nations. The initiative, which will be further expanded and enhanced in 1999, represents a major innovation in development finance.

MARCH

1995

Republic of Korea becomes first to progress from concessional borrower to IBRD graduate

As a result of rapid economic development over three decades, South Korea first progresses from an International Development Association (IDA) recipient to a GIB client and then graduates from International Bank for Reconstruction and Development eligibility. This transition marks the first time a member advances both of these fronts.

[illegible]

**MARCH 1989**  
Renovation of World Bank Group headquarters begins

**SEPTEMBER 1988**  
World Bank Group offers first global bond

**SEPTEMBER 1988**  
World Bank Group establishes Multi-lateral Investment Guarantee Agency (MIGA)

**JANUARY 1986**  
World Bank Group grants World Food Programme \$5 million

**JANUARY 1983**  
"B-loans" introduced

**FEBRUARY 1993**  
World Debt Tables made public for first time

**IN COMPLEX REHABILITATION PROJECT**

**ARCHITECTURAL/ENGINEERING DESIGN COMPETITION**

**A Brief Summary of Key Dates (March - November 1989)**

- March 16, 1989  
Board approval of the Project
- April 17, 1989  
Invitation for Statement of Qualification ("Prospectus") issued to architectural firms worldwide.
- May 26, 1989  
Qualification statements received (total 76 submissions)
- June 1-7, 1989  
Screening Committee Evaluation. The Committee, composed of independent outside experts and experienced Bank architects evaluated all the submission against a set of agreed criteria and ranked the most qualified proposals for management approval.
- June 30, 1989  
Notification to the eight top ranked competitors. A comprehensive package of information, including the Design Program, drawings and the Agreement for Participation issued to the selected eight.
- July 17-21, 1989  
Orientation session for the eight competitors. The five-day program included a walkthrough of the existing facilities, discussions on the Design Program requirements with additional







# World Bank Group History (1944–1960)



In its first two decades, the World Bank worked to help its members in Europe and around the world build infrastructure for reconstruction and development. Bank loans helped nations build dams, electrical grids, irrigation systems, and roads. At the same time, the World Bank encouraged the role of private sector investment while providing resources for its poorer and less creditworthy members.

**SEPTEMBER 1960**

**International Development Association (IDA) created**

IDA launched in response to calls by three member countries not deemed sufficiently creditworthy to borrow from the World Bank Group. Eighty member countries joined, called "trustees" in IDA parlance, to provide more resources than conventional loans offered by the World Bank Group.

**JULY 1958**

**World Bank Group signs Suez Canal compensation agreement**

At the request of Egypt and the United Kingdom, the World Bank Group participated in negotiations for settling claims arising from the nationalization of the Suez Canal Company. The agreement provided for the World Bank Group to provide loans for subsequent investment in the Canal and activities by both the World Bank Group and private banks.

**JUNE 1957**

**IFC makes its first investment**

IFC invested \$2 million to help American Wheaton affiliate manufacture electrical equipment.

**India and Pakistan sign Indus Waters Treaty**

India and Pakistan sign the Indus Waters Treaty, the culmination of over a decade of negotiations between the two countries. The Treaty reserves waters of water use and new development units. Beginning in 1960, the World Bank Group, led by President Eugene Black, provided mediation services during negotiations.

**Cairo, June 29, 1959.**

Dear Mr. Black,

In reply to your two cables of the 6th and 24th June sent through our ambassador in Washington concerning the agreement of the Board of the Suez Financial Company in their meeting on June 1, 1959, and the proposed acceleration of payments of the Suez Canal Company, namely, \$10 million pounds on January 1, 1960 and three additional installments of four million pounds payable on each January first in 1961 and 1962 and 1963.

With the founding of IFC, the World Bank becomes known as the World Bank Group

**JULY 1956**

**Robert L. Garner becomes President of IFC**

**International Finance Corporation (IFC) founded**

The purpose of the International Finance Corporation (IFC) is to build country capacity by providing training for officials concerned with economic and financial development. Initially, studies are general in nature and offered exclusively in Washington, D.C. Over time, more intensive courses on topics such as project preparation and sector planning are developed and offered outside of the United States.

**MARCH 1955**

**World Bank establishes Economic Development Institute**

The International Finance Corporation (IFC) is designed to foster economic development by encouraging the growth of private enterprise.

**SEPTEMBER 1951**

**Finland and Yugoslavia make first repayments of loans**

Finland and Yugoslavia make loans signed in October 1949 for the purpose of increasing the production of linen.

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT**

**December 29, 1949**

**TO: Messrs. Black, Garner, Iliff, Riet, Crena de Iough, Sommers, Parker and Wheeler.**

**FROM: Richard H. Demuth**

Attached is a paper on the proposed International Development Corporation for consideration at the weekend meeting - Jan. 6 - 9, 1950.

**R. H. D.**

**JANUARY**

**World Bank launches a training course for staff**

**Eugene R. Black becomes World Bank President**

**1949**

**AGREEMENT BETWEEN THE UNITED NATIONS AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT**

**SEPTEMBER**

**World Bank institutes group health insurance for staff**

**John J. McCloy becomes World Bank President**

**MAY 1947**

**World Bank approves first loan for reconstruction**

**World Bank enters bond market**

**World Bank approves first development loan**

The World Bank approves its first loan to Czech Republic of France for reconstruction purposes. The loan is intended to be used for equipment, fuel, petroleum, and raw materials. The \$250 million loan will finance one of the largest loans to date made by the World Bank.

The World Bank approves its first development loan to China for the development of electrical power and water facilities and resources. On this same day, the World Bank signs another loan to China for the purpose of buying agricultural machinery and irrigation equipment.

In response to demand for investment by client countries, the World Bank enters the bond market with a \$250 million offering. Considered a landmark offering, the bonds are substantially oversubscribed and sold at a premium over the public offering price. The confidence which the private and institutional investors of the United States have displayed in the Bank's securities... will be a great encouragement to the directors and management of the Bank in the work that lies yet to be done," says President John J. McCloy.

**ACCORD ENTRE LES NATIONS UNIES ET LA BANQUE INTERNATIONALE POUR LA RECONSTRUCTION ET LE DEVELOPPEMENT**

**United Nations, Lake Success, New York, 1948**

**JUNE 25**

**World Bank staff start their first day of work**

**Eugene Meyer becomes first World Bank President**

**MARCH 1946**

**World Bank and International Monetary Fund Boards of Governors hold inaugural meeting**

**MAY**

**World Bank Executive Directors hold their first meeting**

**SEPTEMBER**

**World Bank Governors hold their first meeting**

**1940s**

**THE MOUNT WASHINGTON HOTEL, BRETTON WOODS, NEW HAMPSHIRE**

Timeline of the World Bank Group at the World Bank Group Visitor Center in Washington, D.C. Art by Will Kemp / World Bank. Text & timeline by World Bank Group Archives