

## **World Bank History**



Norwegian Delegation,  
Bretton Woods,  
July 1944

Conceived during World War II at Bretton Woods, New Hampshire, the World Bank initially helped rebuild Europe after the war. Its first loan of \$250 million was to France in 1947 for post-war reconstruction. Reconstruction has remained an important focus of the Bank's work, given the natural disasters, humanitarian emergencies, and postconflict rehabilitation needs that affect developing and transition economies.

Today's Bank, however, has sharpened its focus on poverty reduction as the overarching goal of all its work. It once had a homogeneous staff of engineers and financial analysts, based solely in Washington, D.C. Today, it has a multidisciplinary and diverse staff including economists, public policy experts, sectoral experts, and social scientists. 40 percent of staff are now based in country offices.

The Bank itself is bigger, broader, and far more complex. It has become a Group, encompassing five closely associated development institutions: the [International Bank for Reconstruction and Development](#) (IBRD), the [International Development Association](#) (IDA), the [International Finance Corporation](#) (IFC), the [Multilateral Investment Guarantee Agency](#) (MIGA), and the [International Centre for Settlement of Investment Disputes](#) (ICSID).

### **Transition**

During the 1980s, the Bank was pushed in many directions: early in the decade, the Bank was brought face to face with macroeconomic and debt rescheduling issues; later in the decade, social and environmental issues assumed center stage, and an increasingly vocal civil society accused the Bank of not observing its own policies in some highprofile projects.



US Secretary of the  
Treasury, Henry  
Morgenthau, Bretton  
Woods, July 1944

To address concerns about the quality of Bank operations, the Wapenhans Report was released and soon after, steps toward reform were taken, including the creation of an Inspection Panel to investigate claims against the Bank. However, criticism increased, reaching a peak in 1994 at the Annual Meetings in Madrid.

### **Reform and Renewal**



Mother and daughter,  
China, 1993

Since then, the Bank Group has made much progress. All five institutions have been working - separately and in collaboration - to improve internal efficiency and external effectiveness. Clients report to be broadly pleased with the changes they see in Bank Group service levels, commitment, deliveries, and quality.

More than ever before, the Bank is playing an important role in the global policy arena. It has effectively engaged with partners and clients in complex emergencies from post-conflict work in Bosnia to post-crisis assistance in East Asia to post-hurricane clean-up in central America to post-earthquake support in Turkey and in Kosovo and East Timor.

Notwithstanding these considerable progress, the Bank Group's agenda is not yet complete, nor can it ever be, while the challenges of development continue to grow.

For a timeline of key events in Bank history, see the [World Bank Group Historical Chronology](#). © 2011 The World Bank Group. Go to: <http://www.worldbank.org> to find out about development projects, data, news, research, and more.