

ABOUT GLOBALIZATION

One of the most important banks in the world is the World Bank or International Bank for Reconstruction and Development, as known before. The side of the market on which the World Bank functions is a very large one, globalization being an alternative easy to be accomplished.

The World Bank's purpose is to help borrowers reduce poverty and improve living standards through sustainable growth and investment in people.

The Strategic Compact, endorsed by the Board of Executive Directors on March 31, 1997 set ambitious objectives for the Bank, including strengthening the development effectiveness of lending and nonlending services; improving responsiveness to client needs, developing a broader range of products and services; reducing overhead and shifting resources to the front line; further decentralizing activities; rebuilding professional expertise and technical capacity and sharing the best global knowledge on development with clients and partners.

Recently, United Nations conferences have adopted several goals for the twenty-first century. The Bank is helping to achieve the goals and will monitor them in the countries it assists. The goals are to:

- Reduce by half the proportion of people living in extreme poverty by 2015
- Achieve universal primary education in all countries by 2015
- Achieve gender quality in primary and secondary education by 2005
- Reduce infant and child mortality by two thirds and maternal deaths by three quarters, by 2015
- Provide universal access to reproductive health services by 2015
- Reverse current global and national loss of environmental resources by 2015

Meeting goals as ambitious and important as these will require significant efforts by the global community.

The objectives are very ambitious and for their accomplishment, the globalization would be necessary, otherwise the gap between the civilizations would be a disadvantage for everybody.

But there are many obstacles for aiming these goals, some of them starting even from the internal organization of the World Bank.

As provided in the Articles of Agreement, five of the twenty-four executive directors are appointed by the five member governments having the largest number of shares; the rest are elected by the other members of governments, who form constituencies in an election process conducted every two years.

The Board of Executive Directors oversight responsibility covers virtually all Bank policy, so its role cannot be clearly separated from most of the Bank's activities and initiatives.

Taking into account that the most of the World Bank's projects are financed by the United States, we can see why some of the European countries are against globalization. And this is because the loans are given only after they are convinced that you correspond to some high standards, like applying projects at macroeconomic level, which would give USA a great hint: new markets for the States, while the

Europeans wouldn't have access to some US markets. And then another problem: euro would go down in value too much in comparison with the American dollar.

Globalization could also mean monopoly, control of the whole world, which would destroy the fragile equilibrium. Everything is about politics, applied politics and interests of different countries in the world.

According to a report, written yearly, while more people in its client countries are healthier, better fed and more educated than ever before, progress is uneven among countries, and much more needs to be done. Increasing its development effectiveness lies at the heart of the Bank's renewal.

It looks like not all agree with this: some of the projects, applied in different countries, projects which were supposed to modify the whole economy structure, were not good at all, they led to questions about the capacity of the World Bank to help other countries, and in such situations, and the globalization would be a great disaster.

There are important and solid arguments pro and against globalization, but only time can judge better than we do.