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Concluding Remarks by the Chairman, Hon. **TREVOR ANDREW MANUEL**,
Governor of the Fund and the Bank for **SOUTH AFRICA**,
at the Closing Joint Session

**Concluding Remarks by the Chairman, Hon. Trevor Andrew Manuel,
Governor of the Fund and the Bank for South Africa,
at the Closing Joint Session**

Fellow Governors, ladies and gentlemen, we concluded these meetings – the first of the new millennium – in record time.

Three weeks ago our Heads of state and government convened at the United Nations in New York for the Millennium Summit. Key amongst the issues under discussion were issues relating to global governance, and one of the important themes was, indeed, the financing of development. Also, very strong appeal was made for us to do things differently in the millennium, and I think it is important to reflect on our current meetings within that context also.

These Annual Meetings opened with four addresses that resonated very strongly and contained very strong threads throughout. As both Mr. Wolfensohn and Mr. Köhler just reminded us, President Havel in his contributions yesterday lifted the debate. Importantly, those four speeches focused largely on people and on elaborating a grander vision for our endeavors. There are six broad areas that we need to constantly remind ourselves of: firstly, values; secondly, the benefits of globalization; thirdly, the reality of inequality and poverty that obtains; fourthly, our mutual responsibility to deal with these issues as they exist; fifthly, the need for institutional support in dealing with this challenge; and, sixthly, that this is a moment in world and economic history that we need to understand in order to act appropriately.

From the addresses by Governors, I have noted that eight broad themes emerged.

Firstly, on the role of the Bank and the Fund, there was commendation for the joint statement of the Managing Director at the Fund and the President of the Bank. Issues were also raised about matters relating development financing and, as one Governor put it, the cost of doing business with the institutions. Governors also discussed issues that are outstanding in efforts to address global governance, such as the matter of money laundering.

Secondly, there was much discussion on the need for reform of the institutions. A number of Governors mentioned the need for a stronger voice for developing countries. A variety of views were expressed on matters relating to the important work on the review of the calculation and distribution of quotas. Also, many Governors addressed matters relating to the programs and products delivered by the Bretton Woods Institutions to its members.

Thirdly, matters of domestic governance were raised, and it is interesting to note that we, as Finance Ministers and Central Bank Governors, share with our colleagues the

progress we are making toward democratization of our own countries. The degree of similarity that now obtains in respect to governance is remarkable and welcome. Related to this was the theme of regional governance, and in this context, I commend the Governors who spoke on behalf of regions. The disconcerting similarities and economic convergence that takes place when different countries work closely together is clear.

Fourthly, issues concerning stability were raised. Just two years ago, there had been much focus on issues relating to financial stability, and this year the issue of stability was addressed through matters relating to the oil price. It received a fair amount of attention certainly in the report by the Chairman of the IMFC, but it was also raised by a number of Governors from both oil-producing and oil-importing countries. The similarities between the issues we discussed two years ago on financial flows and now on the oil price certainly stand out as something that we need to take account of going forward. But very importantly, there was a salutary message from some Governors that, on financial flows, we should not forget about the associated risks, despite their apparent remission over the past two years. In this regard, Governors stressed that there was no room for complacency, and that we should take advantage of the current, positive economic conjuncture to implement much-needed reforms. Part of the objectives of both the Bank and Fund is to provide greater stability, and the commitment that Mr. Köhler made yesterday to strengthen crisis prevention is important in this context.

Fifthly, Governors have shared with us developments in their own countries, and it is striking to see the similarities in macroeconomic development and change within countries. However, there was a very timely warning from the Governor of New Zealand this morning, that we must guard against the notion that “one size fits all” when providing advice on economic reforms. And here, we come back to one of the other themes raised in the four opening speeches – that of the benefits of globalization. In this regard, an important question to address is who is inside and who is outside. Let us recall that we also had Governors talk about the ongoing challenges of being commodity producers, often of individual agricultural commodities. CARICOM’s statement in this regard was exceedingly important.

In this context, where countries start out poor, where they are commodity suppliers to large markets, where access to trade opportunities is a problem, where the level of poverty has meant that human capacity development has not been adequately attended to, I think we arrive back to this issue of who is benefiting fully from globalization and who is not. As countries try to implement macroeconomic change and understand that macroeconomic sustainability is a necessary but not sufficient condition, we come back to the role of the Bank and the Fund.

The sixth broad theme that emerged dealt with the importance of immediate and substantial debt relief. In this regard, it is important not just to deal with the past, but also to deal with the future, and here I would like to welcome the calls across the board for faster and deeper debt relief and also welcome the new commitments made by a number of countries to speed up the provision of bilateral debt relief.

The seventh theme dealt with equity, especially in respect to interdependence, but also dealing with the issues relating to oil, foreign direct investment, trade and official development assistance.

The last of the themes that emerged very strongly related to the importance of effective communications. What is wrong with what we do? What distinguishes us here from those on the streets? I would like to add my voice to the distinction made between, on the one hand, peaceful activists and non-governmental organizations, some of whom have been present through these meetings, and on the other hand, those who were bent on destruction. That distinction was made by a number of speakers today, but echoed very strongly by both Mr. Köhler and Mr. Wolfensohn.

Issues regarding communications are exceedingly important. The commitment from Mr. Wolfensohn and Mr. Köhler to turn these Bretton Woods Institutions into listening organizations is one that we must welcome. We have all said that these institutions need to be responsive to our needs, and they need to develop strong threads so that we take the development challenge forward very strongly. What was also very encouraging was the degree of support from all Governors for the vision raised by both Mr. Köhler, in describing the IMF that he would like to construct under his tenure, and the new set of commitments made by Mr. Wolfensohn. But effective communication must also carry through to a series of difficult issues. We must recognize that some of those tough issues were raised as disagreements between Governors, so these meetings were not just about consensus.

The approach to the oil price was raised. Debt relief was raised. Globalization and its benefits, who is in and who is out, and what the causalities are were raised. Also, comments about how true we remain to the Articles of Agreements of the Bank and the Fund were raised.

The philosopher, Richard Rorty, who has argued that we no longer live in a world of certainties, but one in which the truth that we seek and follow are truths that we arrive at through dialogue, debate, and discussion. Truth is a point of view for which we can make the most convincing argument, Rorty says. I believe that the Fund and the Bank have an important role to play in ensuring that we arrive at a more equitable set of outcomes so that we improve the quality of life for all. Yet, to do this, we need to hear the voices of those who sometimes have been silenced in the quest for truth. The voice of developing and emerging countries must now be heard. We will look to the continued strong and very capable leadership of Horst Köhler and Jim Wolfensohn to deliver that truth to this and the next generation.

Let me conclude by firstly thanking all of the Governors for the collaboration that has made the task of chairing these meetings as easy as it has been. I would like to thank the staff of the Joint Secretariat, and especially Ms. Patricia Davies, for their role, in

conjunction with the Czech authorities, in ensuring such excellent arrangements for our meetings.

I would also like to thank the staff who were assigned to me in the Office of the Chair, who were very capable, pleasant, and efficient. I would like to again thank the government and the people of the Czech Republic, in particular from Prague.

I would like to congratulate the Governor from Costa Rica, who succeeds me as incoming Chairman of the Boards of Governors.

In closing, I would like to remind all of us of what we said yesterday, that our task is to turn words into deeds, and in this, we cannot and must not fail.

Before adjourning, I would like to wish all the Governors and Delegates a safe journey home and I hereby adjourn the 2000 Annual Meetings of the Boards of Governors of the International Monetary Fund and the World Bank Group.