



# World Bank Group Archives Exhibit Series

The Development Committee, 1974-1984

NUMBER 017  
ORIGINALLY PUBLISHED: APRIL 2003

January 2016



**WORLD BANK GROUP**





The World Bank Group Archives Exhibit Series contains exhibits originally published on the Archives' external website beginning in 2002. When the Archives' website was transferred to a new platform in 2015, it was decided that older exhibits would be converted to pdf format and made available as a series on the World Bank's external database, [Documents & Reports](#).

These exhibits, authored by World Bank archivists, highlight key events, personalities, and publications in the history of the World Bank. They also bring attention to some of the more fascinating archival records contained in the Archives' holdings.

To view current exhibits, visit the [Exhibits](#) page on the Archives' website.



## **The Development Committee, 1974-1984**

*The following article is excerpted and slightly adapted from The Development Committee: Its First Ten Years, 1974-1984.*

Established in October 1974, the Development Committee is known formally as the Joint Ministerial Committee of the Boards of Governors of the World Bank and the International Monetary Fund on the Transfer of Real Resources to Developing Countries. The Committee's members, usually Ministers of Finance, are appointed in turn for successive periods of two years by one of the countries or groups of countries represented on the Bank's or the Fund's Board of Executive Directors. The Committee is required to advise and report to the Boards of Governors of the Bank and the Fund on all aspects of the broad questions of the transfer of real resources to developing countries, and to make suggestions for consideration by those concerned regarding the implementation of its conclusions.



*Development Committee Meeting, 1975*

In 1972 a Committee on the Reform of the International Monetary System and Related Issues (the "Committee of Twenty") was established. After two years of study, the Committee of Twenty suggested that two ministerial-level committees be created: one to advise on monetary matters, and one to study and recommend measures on the broad question of the transfer of real resources to developing countries. The Development Committee was subsequently established by parallel resolutions of the Boards of Governors of the Bank and the Fund at their annual meetings in October 1974.

The Committee was intended to provide a focal point in the structure of international economic cooperation for the formation of a comprehensive overview of diverse international activities in the development area, for the efficient and prompt consideration of development issues, and for the coordination of international efforts to deal with the problems of financing development.



The members are designated by each member government of the Bank of the Fund that appoints an Executive Director or by a group of members that elects an Executive Director. The Chairman of the Committee is selected from among its members. While the Chairman has traditionally been selected from among the developing countries, the executive secretaries have been appointed by the Committee from the developed countries. The first Chairman was Henri Konan-Bedie, Minister of Economy and Finance, Cote D'Ivoire. The current chairman (2003) is Trevor Manuel, Minister of Finance, South Africa. There have been seventeen successive Chairmen in the history of the Development Committee.



The Development Committee is not a decision-making body, but is a forum of ministers concerned with finance and development representing the world community at large. It provides an opportunity for constructive and orderly dialogue among groups of countries at various stages of development. The Committee seeks to improve understanding of international development issues, and to reach a consensus at a high political level which could facilitate decision-making in the appropriate bodies, such as the executive boards of the Bank and the Fund. The Committee's role is therefore to provide advice and guidance.

As part of its coordinating function, heads of other international financial or economic organizations are invited to participate in the meetings of the Committee as observers. In 1984 the following organizations were represented: UN, UNDP, GATT (now WTO), UNCTAD, IFAD, AfDB, ASDB, IDB, ABEDA, AFESD, CEC, EIB, the Commonwealth Secretariat, OECD, DAC, ISDB, and the OPEC Fund for International Development. In 2003 there will be over 25 observer organizations attending the Development Committee meetings.

The matters which claimed the Committee's early attention related to the economic crisis of 1973-1974, which seriously affected some of the least developed countries. The Committee lent its full support to the creation of a new temporary lending facility of the Bank, the "Third Window," to provide subsidized



interest loans to developing countries supported the establishment of a Trust Fund to be administered by the IMF to provide additional concessional resources to meet the balance of payments needs of the low-income countries. The Committee paid special attention to the subject of concessional flow to developing countries. The level and quality of official development assistance and its effective use have been a topic of constant review. The Committee has reviewed the lending operations of multilateral development institutions and their capital base, private capital flows, access to capital markets, and to cofinancing with official and non-official agencies. An extensive and detailed study has been undertaken on the importance and the role of private foreign investment in developing countries.



The Committee has also undertaken a serious and thorough review of a large number of the recommendations made by the Brandt Commission, and the Development Committee's document *Program of Immediate Action* has highlighted steps for economic growth.

Other subjects that have evoked the special concern of the Committee are related to the linkages between trade and the promotion of development with particular emphasis on the rollback of protectionism and the restoration of openness to markets. Attention has also been devoted to the external debt situation of developing countries.

The Development Committee, with its broad responsibilities, its compact size, its representative character, its association with the Bank and the Fund and the expertise of its members, provides an appropriate forum to promote international consensus and decisions on a number of vital development issues of interest to the developing and developed countries.