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Funding World Bank Should be Congressional Priority

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In September of this year, the U.S. Congress will vote on a foreign operations budget, including funding for the International Development Association (IDA), an international financial institution offering loans and grants to the world's poorest countries. It is part of the World Bank Group.

In 2016, the U.S. pledged \$3.871 billion for the 3-year IDA budget. This year the U.S. House of Representatives has proposed to cut the funds to IDA by 50 percent for the year 2018.

The World Bank and the International Monetary Fund (IMF) are important pillars of international development and financial stability.

World Bank funding fosters American global leadership. As the largest shareholder of the World Bank, the U.S. is the only country possessing veto power, thus assuring a strong influence in its decisions. Traditionally, the president of the World Bank has always been a U.S. citizen (the current president, Jim Yong Kim, is Korean-American).

Since he became president of the World Bank, Jim Yong Kim has taken new initiatives to modernize the organization. In 2014, he launched the Global Infrastructure Facility (GIF), a public-private partnership combining private capital and public expertise to foster international development. GIF reflects the increasing importance of the private sector in financing projects of public relevance.

In 2010 the IMF initiated a reform, backed by current Managing Director Christine Lagarde, which was approved by Congress in 2015. The IMF reform increased the quotas of emerging economies while preserving American *de facto* veto power.

These are important steps to modernize international financial institutions and make them more efficient in dealing with global issues.

The International Development Association plays an essential role in promoting U.S. national security by assisting countries where poverty and disease can breed political instability. For instance, IDA's work was instrumental in containing the Ebola pandemic in Africa.

The organization's activities focus primarily on increasing access to education, supporting healthcare, and building infrastructure in the energy and transportation sectors. In recent years, it has brought electricity to millions of African people. It also built thousands of miles of paved roads in developing countries, and millions of African children enroll in school.

IDA has also provided Haitian people access to drinking water and sanitation after an earthquake devastated the country in 2010. Improving the living conditions in Haiti prevented a mass migration of Haitians to the United States.

As the Trump administration is pressing our Allies to increase their spending for NATO and other international organizations, it is paramount for the U.S. Congress to maintain its funding for foreign operations, thus showing American commitment to these important institutions.

U.S. aid to developing countries is essential to generating international support to confront threats like North Korea — and to advance global economic prosperity.

Maintaining the United States' historical level of support for IDA should be a congressional priority, thus maintaining the U.S. commitment to global leadership.

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