Remarks by the Hon. JIMMY CARTER,
PRESIDENT OF THE UNITED STATES, at the 1980
Annual Meetings of the Boards of Governors of
the Fund and the Bank, IFC and IDA

It is a pleasure to welcome you to Washington for the Thirty-Fifth
Annual Meetings of these two great institutions. It is a special
pleasure to welcome all new members.

Your presence here symbolizes the commitment of more than 140 coun­
tries to a dynamic system of international economic cooperation and to
its central institutions, the International Monetary Fund and the World
Bank.

Your commitment strengthens the prospects for lasting world peace,
because peace cannot be assured if hundreds of millions of people are
offered no hope of escape from poverty and economic instability. The
Bank and the Fund provide that hope.

You are rapidly adapting to new challenges. We support this pro­
cess of change. The response to a changing world can best be charted
within these institutions, acting in your own fields of competence and
experience. Your work should not be diverted by extraneous political
disputes. And as you mold and adapt, you must be confident that your
decisions will not be determined or renegotiated in some other setting.
Any political pressure or unwarranted influence from any international
forum which might undermine your integrity would be neither necessary
nor desirable.

The Fund is the world's principal official source of balance of
payments financing. So far this year, Fund programs of more than
$5 1/2 billion have been arranged. Even more is needed, and action
is under way to expand these resources. The IMF is also adopting
important changes in policy, making it more responsive to the changing
needs and concerns of its members.

During the last 12 months, the World Bank Group has lent more than
$12 billion to developing member countries. Nearly $4 billion of that
was provided on concessional terms to the poorest countries.
The Bank is mounting initiatives to enable developing countries to find and produce more energy while also carrying out other important Bank programs.

An enlarged World Bank program for energy exploration and development would benefit us all.

The World Bank has also launched a program of lending and advisory services to help developing countries make the structural adjustments required by higher energy prices.

I cannot discuss the role of the World Bank without paying tribute to the leadership and dedication of Robert McNamara over the last 12 years.

Under Bob McNamara's leadership, the Bank has become the focus of world cooperation to improve the human condition, and a fine example of how such cooperation can be effective. Bob, you will leave to your successor a high standard and a firm foundation for the future.

United States support of the Fund and Bank reflects both our fundamental humanitarian principles and our economic interests. Legislation enabling our participation in the IMF quota increase passed the House last week. I am pressing for its passage in the Senate, and I will sign the legislation as soon as it reaches my desk.

Moreover, I will urge the Congress to give high priority to the Sixth IDA Replenishment later this year.

Next year we will submit legislation for our subscription to the General Capital Increase of the World Bank. Both the Fund and the World Bank Group must have all the resources they need for their work.

Let me also mention several other steps the United States has taken that will help stabilize the world economy.

We have adopted a strong anti-inflation program of fiscal and monetary restraint.

We have begun a nationwide program to revitalize our industrial base and to accelerate productivity growth. This new program will increase the portion of our GNP devoted to investment, will reduce inflation, and will restore innovation and vigor to our economy.

We have also put in place a comprehensive program to rebuild our energy base. This new program is already bearing fruit. In the last three years, we have reduced oil imports by 24 per cent. We are drilling more oil and gas wells this year, and producing more coal, than ever in our history. We are acting to ensure that the United States can meet much of the world's needs for coal.
We have started a massive investment program to increase production of synthetic fuels. We are spending $4 billion a year on energy research and development, and additional billions on incentives to use energy more efficiently in our homes, our industries, our commerce, and our transportation.

The world's oil stocks are at an all-time high, and these reserves will help to offset the effect of temporary reductions in supply, such as that caused by the present conflict between Iran and Iraq.

However, we are keenly aware that some nations are seriously threatened by even a temporary interruption. Thus, we are working to end this conflict as quickly as possible.

Our energy program is part of a far-reaching effort to which we pledged ourselves at the Venice Economic Summit. The common goal adopted there is to conserve more oil and to produce the equivalent in alternative fuels of 15 to 20 million barrels of oil per day by the end of this decade. This will ease pressure on world oil markets, ease balance of payments problems, and let developing countries obtain a larger share of the world oil supply.

Our long-term objective in these domestic and international energy efforts is a fair deal for all nations that produce and consume oil:

-- One that minimizes the threat of abrupt changes in the price of oil;

-- One that will assure the consuming countries of a reasonably predictable level of supply;

-- And one that will avoid compounding inflation.

The oil importing countries and the oil exporting countries can all contribute to this effort. They all have a stake in the outcome.

This meeting comes at a critical time for us all.

The world has come to place enormous confidence in your judgment and in the work of the Bank and Fund. That confidence has never been misplaced. And I am certain that it will be even more justified in the future.

On behalf of the United States, I assure you that we intend to remain active in the decisions and supportive of the work to come.