

The Lords of Debt and Credit (translation of selected passages)

"The World Bank is rich and powerful: last year, it pumped \$ 23.7 billion north to south - five times more than the entire development budget in Bonn - a big bureaucracy that designs economic programs for two-thirds of humanity. At this year's bank Annual Meeting in Washington the question arises: Who controls the World Bank? The IMF and World Bank are neglected by their European co-founders. Instead, a handful of American environmental groups use their influence on the American Congress to put the bank on a leash....Is the World Bank controlled then from the outside, by eco-activists like Bruce Rich for example? The agile lawyer is dismissive: 'We are just harmless horseflies.' The senior staff of The Environmental Defense Fund (EDF), a US environmental organization with around 200,000 members, has 'made a lot of trouble' for the bank, but Rich has often discovered by chance, 'through calls for help from farmers in India or anonymous World Bank staff,' proposed dams and mass relocations. 'The honest answer is probably, Rich ventures, - nobody controls the World Bank....' Outside the bank, outside of this lending and borrowing, stand alone people like Bruce Rich.

"The environmentalist does not see the World Bank as a narrow bridge between the rich and the poor. He sees a huge steamroller in front of him, a 'bureaucracy of destruction' that takes little account of man and nature. Bruce Rich paints the picture of an overpowering apparatus negotiating multi-million credits behind closed doors with autocratic dictators and elites from the Third World. In Brazil, the bank's bulldozers cleared the rainforest and left 'an ecological and social catastrophe;' In Malawi, the population learned only from the radio that their fields would soon disappear under a reservoir. He can easily reject the accusation that he cares more about the monkeys in the trees than about the people in misery: 'I am for development - but World Bank policies only make the poor poorer....' Politics and management measure success above all in the growth of the balance sheet. Therefore, Bruce Rich says bluntly, the bank is under a 'pressure to lend,' a huge 'loan approval culture.' In fact, the World Bank has a preference for large-scale projects in the hundreds of millions. Only then can they pump enough money to the south: 'We are not small traders.' Loans for craftsmen in the backyard do not pay off there.

"In his judgment, Bruce Rich is also not impressed by reforms that, for example, oblige the World Bank to rigorous environmental audits and require the local population to be involved in project planning. The 'pressure to lend' in the bureaucracy has long since become independent. 'How else can you come up with something like this in June of this year?' (June is the last month of the bank's fiscal year.) He is outraged. He pulls out a pile of papers out of tattered folders and from his file of confidential World Bank documents. On a cover page reads: 'India - Energy Sector Loans - \$ 400 Million.' One of 245 loans from the financial year 1993. And one more answer to the question of who controls the World Bank.

"That's why Bruce Rich has long been working internationally, so he's now the spider at the center of a thin web of environmental and development groups that are scrutinizing World Bank policies alongside their governments in other donor countries. And that's

why Bruce Rich copied his documents in June and sent a thick letter to the German province via express courier. Address: D-48336 Sassenberg in Münsterland. Heffa Schücking lives here. The 34-year-old biologist is a single mother and co-worker of Urgewald, an association committed to protecting tropical rainforests. The fax machine next to the antique desk spits out daily letters from all over the world: Bruce Rich faxes short memoranda, peasants from Thailand and Guinea ask for support "