

## GLOSSARY OF TRADE AND RELATED TERMS

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IBRD (World Bank)	International Bank for Reconstruction and Development, established, together with the International Monetary Fund, after the Bretton Woods Conference in 1944. Its purpose was to help countries to reconstruct their economies after the damage inflicted by World War II. It is prepared to assist member-countries by lending to governmental agencies or by guaranteeing private loans. Loans are usually for 15 to 20 years and finance agricultural modernization, hydro-electric schemes, port improvements, and general programs of economic reconstruction. The funds come from the developed countries and the Bank acts as a medium-term loan agency in channeling them to the less-developed countries.
IMF	International Monetary Fund, established at Bretton Woods in 1944. Its purpose was to restore and promote monetary and economic stability. Its headquarters are in Washington. All OECD and most developing countries are members.
Import Policy	Encompasses traditional government policies intended to provide a favorable economic climate for the development of industry in general or specific industrial sectors. Instruments of industrial policy may include tax incentives to promote investments or exports, direct or indirect subsidies, special financing arrangements, protection against foreign competition, worker training programs, regional development programs, assistance for research and development, and measures to help small business firms. Historically, the term industrial policy has been associated with at least some degree of centralized economic planning or indicative planning, but this connotation is not always intended by its contemporary advocates.
Import Substitution	An attempt by a country to reduce imports (and hence foreign exchange expenditures) by encouraging the development of domestic industries.
Import Quota	See Quantitative Restrictions.
Industrial Policy	Governmental actions affecting, or seeking to affect, the sectoral composition of the economy by influencing the development of particular industries.