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International Organisations (UN System, WTO, IMF, World Bank)

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Practice: 7 MCQs



The World Bank Group headquarters in Washington, D.C. Photo by AgnosticPreachersKid, Wikimedia Commons, CC BY-SA 3.0.

India holds under 3 percent of the votes at the IMF, though it is one of the world's biggest economies.

This page explains the IMF, the World Bank, the WTO and the UN, and why India wants reform.

- **IMF:** began 27 December 1945; India has 2.75% of quota and ranks eighth.
- **World Bank:** IBRD began in 1944; headquarters in Washington, D.C.
- **WTO:** began 1 January 1995; 166 members; decides by consensus.
- **UN:** 193 members; five permanent Security Council members hold the veto.

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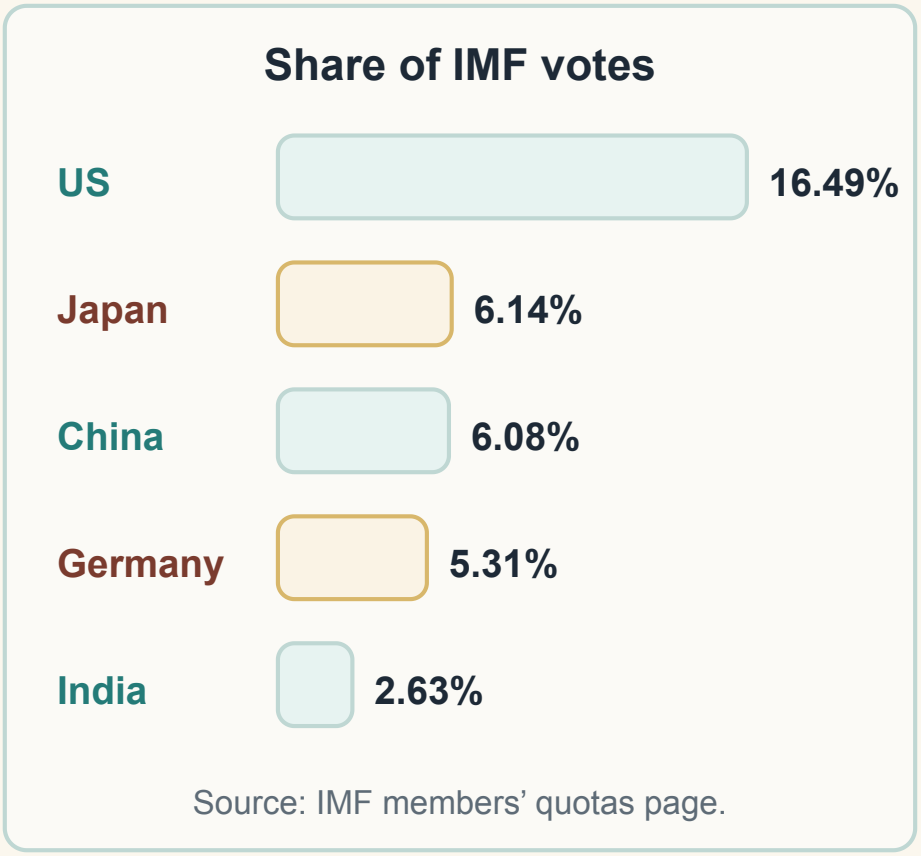
1. The Bretton Woods Twins: IMF and World Bank

India holds under 3 percent of the votes at the IMF, even though it is one of the world's biggest economies. To see why, start with how the IMF and the World Bank began.



Share of IMF votes. Original explanatory diagram.

1.1 How did the IMF and World Bank begin?

In July 1944, delegates met at Bretton Woods in the United States. They wrote the rulebooks for two new bodies. One was the International Monetary Fund (IMF). The other was the World Bank.

The plans became real on 27 December 1945. That day the IMF's Articles of Agreement came into force. Twenty-nine governments had signed them. So 1944 is the conference year, and 1945 is the start date.

1.2 What did Bretton Woods promise, and what happened to it?

The system kept each currency at a fixed value against the US dollar. The dollar itself was fixed to gold, at $35 an ounce. So the dollar stood at the centre, and gold stood behind it.

This ended on 15 August 1971. The United States stopped freely buying and selling gold, and the dollar could no longer be swapped for it. So floating rates are not part of the original Bretton Woods design.

1.3 What is a quota, and why does it matter?

Every IMF member has a quota. A quota is the sum of money a member commits to the IMF. It is counted in a unit called the SDR, or Special Drawing Right. The IMF says a quota broadly reflects a member's place in the world economy.

A quota matters in two ways. Votes follow quotas closely, as the IMF's own table shows. And SDRs are handed out in proportion to quotas.

1.4 What is the SDR?

The SDR is an international reserve asset. The IMF created it in 1969. It adds to the reserves that countries already hold. All 191 members take part in the IMF's SDR Department.

The IMF may allocate new SDRs to members in proportion to their quotas. A bigger quota therefore means a bigger share of any allocation.

1.5 How strong is India's place in the IMF?

India's quota is 13,114.4 million SDRs, or 2.75 percent of the total. Its votes are 2.63 percent. Only seven members have bigger quotas. They are the United States, Japan, China, Germany, France, the United Kingdom and Italy. So India ranks eighth.

The United States is far ahead. Its quota is 17.42 percent and its votes are 16.49 percent. Russia is just behind India, with a quota of 12,903.7 million SDRs.

1.6 Who leads the IMF and the World Bank today?

The IMF's Managing Director is Kristalina Georgieva. The Executive Board picked her for a second five-year term on 12 April 2024. It began on 1 October 2024. The World Bank's President is Ajay Banga.

1.7 What is the World Bank Group?

The World Bank Group is a family of institutions. The World Bank itself is the IBRD, the International Bank for Reconstruction and Development, and the IDA, the International Development Association. The others are the IFC, MIGA and ICSID.

The IBRD was created in 1944 and has 189 member countries. The IFC dates from 1956 and the IDA from 1960. MIGA began on 12 April 1988. The Bank's headquarters is in Washington, D.C.

1.8 How much do India's votes count in each Bank institution?

As of 30 June 2026, India holds 2.95 percent of the votes in the IBRD and 2.95 percent in the IDA. It holds 3.95 percent in the IFC and 2.53 percent in MIGA. So India's weight is about 3 percent at most of them.

NDA & NA (II) 2025, General Ability Test, Q84

With which of the following was the Bretton Woods System NOT associated?
(a) International Monetary Fund
(b) Economic recovery after the Second World War

(c) International Bank for Reconstruction and Development
(d) Establishment of a monetary system based on floating exchange rate

The answer is (d). Bretton Woods fixed exchange rates. The IMF, the IBRD and postwar recovery were all part of it.

Sources:

- IMF: chronology of the IMF
- Federal Reserve History: Bretton Woods
- US State Department: Bretton Woods and GATT
- IMF: quotas factsheet
- IMF: Special Drawing Right
- IMF: members' quotas and voting power
- IMF: Executive Board selects Georgieva for a second term
- World Bank: President
- World Bank: IBRD
- World Bank Group annual report
- World Bank: contacts
- IFC: about
- IDA: about
- MIGA: about
- World Bank FinancesOne: India

True or false: Bretton Woods set up a system of floating exchange rates.

2. The WTO and the UN System

The IMF and World Bank deal with money. The WTO deals with trade rules. The UN deals with peace and many other global tasks.

The Security Council

Permanent: 5

China, France, Russia, UK, US

Elected: 10

Chosen by the General Assembly

Votes needed

Nine, with permanent members agreeing

Veto

One permanent no stops the decision

Based on the UN Charter, Chapter V.

The Security Council. Original explanatory diagram.

2.1 When did the WTO start, and how many members does it have?

The WTO began on 1 January 1995. It grew out of the Uruguay Round of trade talks, held from 1986 to 1994.

It took over from the GATT, the General Agreement on Tariffs and Trade, which was signed on 30 October 1947 by 23 founding members. Its headquarters is in Geneva.

It has 166 members. They account for about 98 percent of world trade.

2.2 How does the WTO take decisions?

The WTO normally decides by consensus. That means no member present objects to a decision. The Ministerial Conference usually meets every two years. The General Council meets several times a year in Geneva.

2.3 What went wrong with WTO dispute settlement?

The Appellate Body hears appeals in trade disputes. It was set up in 1995 and has seven members. Today it has no members. The term of its last sitting member ended on 30 November 2020. So it cannot review appeals.

The WTO’s 14th Ministerial Conference met in Yaoundé, Cameroon, from 26 to 30 March 2026.

2.4 When was the UN founded, and how big is it?

The UN Charter was signed on 26 June 1945 in San Francisco. It came into force on 24 October 1945. The UN now has 193 member states. India was admitted on 30 October 1945.

2.5 What are the UN’s main bodies?

The UN has six main bodies. They are the General Assembly, the Security Council, the Economic and Social Council, the International Court of Justice, the Secretariat and the Trusteeship Council. The Trusteeship Council suspended its work on 1 November 1994.

The Security Council has 15 members. Five are permanent: China, France, Russia, the United Kingdom and the United States. Ten are non-permanent. Each member has one vote.

On most matters, a decision needs nine votes. Those nine must include the concurring votes of the permanent members. So one permanent member’s “no” blocks the decision. This is called the veto.

Sources:

- WTO: who we are
- WTO: the GATT years
- WTO: Appellate Body
- WTO: MC14
- UN: Charter
- UN: member states
- UN: main bodies
- UN Charter, Chapter V

True or false: the WTO usually decides by consensus rather than by majority vote.

Think it through: why does one permanent member's "no" stop the Security Council?

A Council decision needs nine yes votes, and the permanent members must be among them. If one permanent member votes no, the decision fails.

3. Reform and the Voting Trap

3.1 Why does a rising economy still have a small vote?

Quotas are not tied to GDP each year. They change only through a review by the Board of Governors, and reviews take place at least every five years. The 14th review finished in 2010 but took effect only in 2016.

The 15th review, in 2020, gave no increase. The 16th review ended in December 2023 with a 50 percent rise in quotas. Members must still consent to their own increases.

3.2 Why can the United States block a quota change?

Any change in quotas needs approval by 85 percent of the total voting power. A member's own quota also cannot change without its consent.

The United States holds 16.49 percent of the votes. A vote needs 85 percent. So any member holding more than 15 percent can block it. The United States is above that line, and it can stop a quota change alone.

Sources:

- IMF: quotas factsheet (section 3)
- IMF: members' quotas and voting power (section 3)

True or false: the United States can block an IMF quota change on its own.

Think it through: why can a rising economy still have a small IMF vote?

Quotas change only after a review. Any change needs 85 percent of the votes. The United States alone can block that, so big shifts need its agreement.

4. Current Affairs: Neelkanth Mishra at the World Bank

4.1 What was decided about the Executive Director post?

The Appointments Committee of the Cabinet approved Neelkanth Mishra as India's Executive Director at the World Bank. The post is based at the Bank's headquarters in Washington, D.C. The term is three years.

He succeeds Parameswaran Iyer. Iyer's tenure is extended until Mishra takes charge.

The World Bank's Board has 25 Executive Directors for its 189 member countries. So each director speaks for many members.

Sources:

- All India Radio: ACC clears Mishra's appointment
- World Bank: Executive Directors

Your understanding checks

Your 3 quick checks Answered 0 of 3 · Correct 0
This score resets when the page reloads.

Practice: 7 MCQs

Practice MCQs

1. When was the International Monetary Fund (IMF) established?

A. 27th December 1945

B. 30th January 1947

C. 1st January 1946

D. 24th September 1947

See answer ↓

2. On what date did the World Trade Organization officially commence operations?

A. 1st January 1995

B. 1st March 1995

C. 1st October 1995

D. 1st November 1995

See answer ↓

3. The Bretton Woods system originally fixed currencies to the US dollar, which was itself convertible to what?

A. Oil

B. Silver

C. Treasury bonds

D. Gold

See answer ↓

4. Which of these is NOT part of the World Bank Group?

A. IFC

B. IDA

C. WTO

D. IBRD

See answer ↓

5. Where is the World Bank's headquarters located?

A. New York

B. Geneva

C. Manila

D. Washington DC

See answer ↓

6. How many permanent members does the UN Security Council have, each holding veto power over substantive resolutions?

A. Fifteen

B. Three

C. Five

D. Ten

See answer ↓

7. Special Drawing Rights (SDRs) are allocated to IMF member nations in proportion to their?

A. Population

B. National income

C. Poverty levels

D. Shareholding (quota) in the IMF

See answer ↓

Answer Key

1. **A.**
   The IMF formally came into existence on 27 December 1945. The Bretton Woods Conference was in July 1944. Do not mix the two dates.
   ↑ Q1
2. **A.**
   The correct answer is **1st January 1995**. The WTO came out of the Uruguay Round of talks. It began on 1 January 1995. Its headquarters is in Geneva.
   The other dates in the list are not the WTO's start date.
   Memory hook: WTO = 1-1-1995.
   ↑ Q2
3. **D.**
   The correct answer is **Gold**. Bretton Woods fixed currencies to the US dollar. The dollar itself was fixed to gold at $35 an ounce. That link ended in August 1971.
   Silver, oil and Treasury bonds were never what the dollar was tied to under this system.
   Memory hook: Currencies to dollar, dollar to gold.
   ↑ Q3
4. **C.**
   The correct answer is **WTO**. The World Bank Group has the IBRD, the IDA, the IFC, MIGA and ICSID. The WTO is a separate trade body in Geneva.
   IBRD, IDA and IFC are all parts of the World Bank Group.
   Memory hook: WTO trades; the Bank lends.
   ↑ Q4
5. **D.**
   The correct answer is **Washington DC**. The World Bank's address is 1818 H Street NW, Washington, DC. The IMF is also based in Washington.
   Manila, New York and Geneva host other bodies, but not the World Bank.
   Memory hook: Both twins live in Washington.
   ↑ Q5

6. **C.**

   The correct answer is **Five**. The Security Council has 15 members. Five are permanent: China, France, Russia, the United Kingdom and the United States. On most matters, nine votes are needed, including the permanent members. So any one of them can veto.

   Ten is the number of elected members. Fifteen is the total size of the Council.

   Memory hook: 5 permanent + 10 elected = 15.

   ↑ Q6

7. **D.**

   The correct answer is **Shareholding (quota) in the IMF**. The IMF may allocate SDRs in proportion to members' quotas. A bigger quota means a bigger share of any allocation.

   Population, national income and poverty levels do not set the SDR share. The quota does.

   Memory hook: SDR share = quota share.

   ↑ Q7

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