

The world needs a stronger World Bank Learning from crisis

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OPINION

Ngozi Okonjo Iweala

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As a former World Bank staff member and as one who worked with the bank while finance minister of Nigeria, I have watched with growing sadness the many recent criticisms of this institution . By no means is the World Bank perfect. I agree with those, many of them within the bank, who feel reform is overdue. Yet I cannot agree with those who question the need for such an institution today. There is no doubt that we need the World Bank. It has a strong future, and it has a mandate that it must fulfill in helping the two billion people still living on less than \$2 a day.

It can only do so, however, if the countries that it serves feel true ownership of the institution. Why were there no voices raised from the developing world during the recent crisis against the damage being done to an institution with such a noble and critically important mission? Perhaps it is because developing countries feel they have so little voice at the bank, despite being the very reason for its existence. It is clear that the governance structure at the Bank must be addressed; that developing countries must feel they have a stake in its policies and its work.

In these days, it is too easy to overlook how much we need the World Bank. Developing countries are diversifying their sources of finance and aid; that is common sense, and the Bank will have to ensure it is competitive . However, what is not as widely available is the knowledge and experience the Bank bundles with its finance. Many emerging economies with access to capital markets still turn to the bank for help because its staff has tremendous experience in addressing problems that have no regard for national borders.

Knowing that expertise is there, I can say from experience, is important to many countries.

We know the terrible toll diseases like HIV/AIDS, tuberculosis and avian flu are exacting on the world's most vulnerable people; the bank supports local and global efforts to contain their spread.

We also need global solutions to the challenges posed by climate change, and the bank already has a depth of experience that makes it an obvious ally in confronting this problem .

Many people also have forgotten the other role that the World Bank plays in times of great financial distress in the world. There were no questions about the bank's relevance during the peak of the Asian financial crisis in 1997-98, when the Bank provided \$10 billion in emergency financing to Indonesia, South Korea and Thailand . It should not take another financial meltdown in some part of the world for the bank's value to become clear again. Of course, the bank itself - its shareholders and its staff - are the keys to its own recovery from the current controversy .

The shareholders must focus on the corporate governance of the bank. Everything from the management selection to management structure to clarity on the role and operation of the board must be reexamined and reformed. Openness, transparency, and merit should be the bywords in doing such reforms.

Above all, the bank must move quickly to safeguard its greatest asset - its staff. I know from experience that the people working for the World Bank are among the most competent and committed of any working in development in the world, and they have unparalleled experience to offer. I know personally that Bank staffers will favor reform - in fact will demand it - if they are convinced it will enhance the work they do to assist the poor people of the world.

The World Bank has so much to offer the world. But it needs to adapt, it needs to be flexible in a changing world. The excruciating experience it is going through can be turned to good if it is seen as an opportunity for true change and reform. *

Ngozi Okonjo Iweala is a former finance minister of Nigeria and currently a fellow at the Brookings Institution in Washington.

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