Remarks to the Bohemiae Foundation Opinion Leaders' Forum

by
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Mr. Wolfensohn, the floor is yours. Thank you very much for coming, and we are all looking forward to your inspiring comments. Thank you very much.

MR. WOLFENSOHN: Well, Mr. Minister, Mr. Mayor, Your Excellencies, ladies and gentlemen, let me say what a pleasure it is to have this opportunity to talk to you on the eve of our Annual Meetings some few months from now, and to say how delighted I was this morning to have a chance to visit the physical location of the meetings and to have a chance to meet also with some of the distinguished leaders of your country.

There is absolutely no doubt that the facilities are world-class, that the arrangements are world-class, and I want to congratulate and thank all those who have made the arrangements. It is very clear to me that this will be a successfully organized meeting, and I am particularly grateful for the effort that has gone in.

I also want to thank Ivana Stefkova for her kindness in organizing this meeting and giving me a chance to speak to you, even though I am not a Czech Secretary of State. I regret that, unlike Madeleine Albright, I cannot speak in Czech, but I hope that I can convey to you some of the feelings that I have as I talk about the subject which covers the priorities of the World Bank in the 21st century. It rarely matters what the subject is. I say the same thing, anyway. But let me address the question of priorities of the World Bank in the 21st century.

But let me first talk about the issues that perhaps are on my mind as a consequence of being in Prague, of looking at the location, of learning of the potential disagreements there are surrounding the existence of our meetings, of hearing of the views of antagonists of the World Bank about the World Bank, of listening to the noise about possible demonstrations, and to express what it feels like to be President of the World Bank at a moment like that.

I say that because this may convey to you some of my feelings and some of the feelings of some of my colleagues as we approach the Annual Meetings. And let me be very straight with you on the way I feel.
In the first instance, I feel no sense of shame, nor do I feel at any moral disadvantage to anybody on the issues of poverty, on the issues of social justice, on the issues of debt and on the issues of where mankind is going, nor about the contribution that my institution is making to make the world a better place.

I have 10,000 colleagues from 140 countries, and we are working very hard every day to try and improve our planet. At least we are doing that, while some of our critics are, many of our critics are not.

I am conscious of the fact that this is a very difficult problem. I have spent the last five years in this job, and I have visited 104 countries. And I have seen projects that we have done fantastically well. And I have seen some projects that we have done fantastically poorly. But the one thing I can assure you of is that we made no effort to do them badly, and that where we do things from which we can learn, we do not do it again next time.

So the first thing I want to convey to you is that the people you have got coming from my organization to this city fear no one on the basis of moral grounds, and that we are working like hell against very difficult problems.

The problems are real. And as I look at the subject of the Bank in the next century, you have to start with the global reality. The global reality is that you have six billion people on the planet. Three billion live under $2 a day; a billion two hundred million live in what we call absolute poverty, under $1 a day. And I will not give you the statistics, but there are too many people that do not have water, do not have power, too many children that are not at school, and there is too much inequity in the planet. And with regards to equity in the planet, the rights of individuals have not been fully respected, nor are the trends terrific.

There have been some positive developments in the last 10, 20 years. Broadly, life expectancy has improved. Broadly, the level of poverty has diminished, but not enough. And so we are in this battle, all of us, to try and deal with the fundamental questions of poverty, of freedom, of human rights, and of peace. These are the counterpart to economic development and they are interlinked. And we see that issue very clearly.

But when you talk about the next century, you are talking about additional challenges. You are talking about a world in the next 25 years that is not a world of six billion people, but a world of eight billion people. In the next 25 years, we will add two billion people to the planet. And 97 percent of those people will go into the countries with which the World Bank deals the developing world.

Today that world is 4.8 billion. In 25 years, it will be 6.8 billion. Europe will be roughly the same size in the next 25 years. But the developing world, where there is the concentration of poverty, will be two billion people bigger. That is the reality.

And the issue that we face and that all of you face is, first and foremost, that this world is not a world in which there are two worlds.
It is a world in which there is one world. And having seen President Havel this morning, who kindly gave me his latest book, in English, of his speeches, I can only quote from him. He said in a speech that he gave actually in Washington in 1993, "We must come to a new understanding of ourselves, our limitations and our place in the world. We must grasp our responsibility in a new way and re-establish a relationship with the things that transcend us. We must rehabilitate our human subjecthood, liberate ourselves from the captivity of purely rational perceptions of the world. We must discover a new relationship to our neighbors and to the universe and its metaphysical order. We live in a world in which our destinies are tied to one another more closely than ever before."

I agree totally with President Havel. And the reality is that as we look at the activities of the Bank in the next 25 years let us not take the century, let us say 25 yearsthe first reality is that we are linked universally in a planetary bargain. That is the reality.

There is no longer a developed and a developing world. We are linked, by communication; we are linked by finance; we are linked by environment; we are linked by trade; we are linked by migration; we are linked by crime; and we are linked by drugs. We are one universe.

And so the first thing that we have to understand is that, in fact, we are now our brothers keeper, the point that President Havel makes in a number of his addresses and on which I agree with him particularly.

And the second point is that if we are one universe; that implies a different way in which we have to work together. There can be criticisms of the Bank. There can be criticisms of the Fund. There can be criticisms of your current government or your past governments. But the simple fact is that none of us is individually responsible either for the ills of the world or for the success in the next 25 years.

When the demonstrators come and demonstrate about the Bank, they may be right, they may be wrong. But the simple fact is that it is not singly the Bank or the Fund which is at the core of all problems, nor are we able to solve all the problems.

The fact is that going forward there has to be a partnership. There has to be a linkage between the Bank, all forms of civil society, from parliamentary bodies to religions, to trade unions, to Northern NGOs, to Southern NGOs, to the press, to the media in general, and to the private sector. And we have to work through governments in the countries in which we deal.

I am totally convinced that there is no way that we can address these problems in a constructive manner unless we work together. And my plea, which is the plea I make for Prague, is that if there is difference of view, then let us have a dialogue. Let us listen to each other. Let us discuss. I have no problems with discussing any issue in which the Bank is involved. None. Whether it be on how we construct dams or conditionality or our approach to ethnic differences or our concerns with water, or anything. But let us discuss it. Let us not just hurl abuse at each other from behind barricades.
And it would be my hope that in Prague the message that can go out from this city, which has been a city and a country which has been able to resolve differences by sometimes acrimonious discussion but, nevertheless, by discussion, is that we can do the same thing at our meetings. That would be a real message for the world and a real signal from Prague. And from our point of view, that is what we want to do. It is our expectation and our hope.

The other thing that I wanted to say to you is that in terms of the activities of our institution, you have to think of it way beyond just money. We are an important factor in the international development field. Last year we did nearly $30 billion of transactions, of lending. But we are much more than that. We are an institution that provides knowledge, that provides know-how, and which is currently entering into the new digital age in a way which is not to impose our knowledge, but which is to create an environment in which knowledge can be shared. That is a crucial development in the development field, the linkage by Internet, the possibilities of distance learning, the possibilities of learning from each other, the possibility of reaching into villages, into slums, into governments, into universities, and making us truly a global village.

But the other thing which we have learned is that you have to have an approach to development which not only links governments, civil society, private sectors, and multilateral institutions, but where you have to think in terms of a broader consensus-based approach to development, where the issue is not just a project here and project there, where the issue is one of structure, of sequencing, of planning for some medium-term set of objectives.

To us, the issue of strengthening government, of having judicial systems that work, legal systems that work, the protection of human rights and property rights, of financial systems that work, of combating corruption, are of equal importance to the issues of infrastructure, of particular programs, all within the framework of macroeconomic growth.

So the issues are not just simply can you get some money to do a project. The issues are how do you interrelate these things in terms of building consensus, of listening and building a momentum to go forward.

Why am I telling you this? Because there is no single villain in this exercise, and there is no single hero in this exercise. It is a shared responsibility. It is a responsibility which ultimately devolves on every citizen. And it is a long-term responsibility, and it is a complicated responsibility.

When I talk about the Bank in the next century, I talk about an institution which is going to be, and I believe now is, a good partner, which listens, which is not afraid of criticism and not afraid of discussion, which is perhaps a little less self-confident than it once was, and recognizes that the future of our planet is the future described by your President. It is a future which will only evolve if there is
interdependence, if there is individual accountability, and if we are
driven by a sense of equity and justice.

That is the message of our institution. It is a message that I am
actually very proud to carry. It is a message from which I am not
deterred by demonstrators. It is, in fact, the message of our
institution. And I hope very much that some of you may remember that,
whatever happens at the time of our Annual Meetings.

Thank you very much.

MR. WOLFENSOHN: I would be very happy to answer questions, friendly or
hostile.

QUESTION: My name is Richard Falbr. I am the head of the Confederation of
Trade Unions, a potential organizer of protests against the meeting in
Prague.

Of course, I do understand the importance of the institution because we
meet regularly with the representatives of the IMF and the World
Bank. You spoke, you had a very nice speech, I must admit it, and you spoke about
responsibility. The criticism of the trade union usually is because of
lack of responsibility in the past years.

My question is whether your institution will take steps which will make
impossible some of the irresponsible steps of the past, like lending
money to regimes like the regime in Zaire when everybody had to suppose
that all the money given to Zaire was going to go to the account of
Mobutu.

I could speak about other regimes because the problems we see are in the
fact that many undemocratic regimes received money, and when democratic
regimes came, they had to pay the money the undemocratic regimes took
from your institution. So my wish would be if in the next century there
could be more responsibility when making such decisions.

Thank you.

MR. WOLFENSOHN: Let me say that I am sure that in the past some money,
despite whatever we tried to do, has been misused. But I would like to
tell you what I have done in the last week, simply because it is the last
week.

I have been to Gaza, I have been to the West Bank, and I have been to
Turkey, and I have been to eastern Anatolia. And I met with Arafat, and I
have been in touch on the Lebanese situation.

Our institution is at the forefront of the initiatives for peace in the
Middle East, has responded instantly on the questions of Lebanon,
responded before anybody else in Turkey on the questions of the
earthquakes, is active in the villages in eastern Anatolia, which I
visited, in terms of community development and in terms of human
development, and is now doing its best to try and help the Turkish
Government in terms of their structural reform.
Let us assume that mistakes were made on Zaire with Mobutu, which I am not accepting, but let us assume that deliberately people gave money that was misused, which I do not believe. Even if it were true, it is impossible to suggest that the majority of the work of the Bank should be stopped because of some problems that we ran into.

I promise you that in relation to the future activities of the Bank, which is what you are asking, that we are making incredible efforts not to lend into Mobutu-type situations. We are. I have now been to 104 countries. Three years ago I launched a campaign on corruption. We are at the lead on the efforts on corruption. And even Transparency International, which used to criticize the Bank, is now our partner in over 40 countries. So we are trying to learn, and we are trying to do the best thing that we can.

My address to you would be by all means keep criticizing. I have no problem with that. Tell us where we are going wrong. I have no problem with that. But keep in mind that there are 140 other countries where maybe we are doing something right, and do not damn our institution because of six or eight or four or ten things where we differ in opinion.

I have no problem talking about Mobutu or Indonesia, but I would like to tell you about what were doing in East Timor, where our teams are living in tents and where we are the single largest contributing factor in terms of trying to reconstruct East Timor.

So, by all means, criticize us, but do it with balance. Do not close us down. That is crazy. I am happy to discuss with you any subject, but the answer is discussion, not closing us down. That is my point. And let us talk at the time of the meeting.

Yes, sir?

QUESTION: Im John Mastrini from Reuters. I am wondering if you foresee a formal role for NGOs at the Prague meetings.

MR. WOLFENSOHN: We would love to have itwe have been invited for discussion with the NGOs. Whoever would like to discuss, we are happy to discuss. We did the same at the spring meetings. We have a continuing dialogue.

The interesting thing is that NGOs are not a homogeneous bunch, as I guess you know. We now have 80 people in our offices around the world who deal with the so-called Southern NGOs in an ever more constructive way. There are a few NGOs even in the North that quietly would tell you that we are doing better. Publicly they may not, but quietly they will. And we have NGOs committees for debate.

The positive aspect about the demonstrations is that it is giving a focus on what we are doing and demonstrating an interest on issues of debt and on the issues surrounding the treatment of globalization and on the issues of equity. On that I have no problem.
What I would love would be to get those people into a room where we can talk to them. And if that is the wish of the gentleman who is organizing the campaigns, I am happy to meet at any time, day or night, to discuss the issues.

What I would like is discussion. And if you would like to do it, I am ready, publicly or privately, to meet. So it is not that I am a saint or a hero. But I am eager to have discussion.

Yes, sir?

QUESTION: Two months ago, I was at one conference in Trieste which was cosponsored by your organization, and the theme of this conference was medals for citizen participation in the world.

MR. WOLFENSOHN: In?

QUESTION: In the world. And I was fascinated by how broadly you will support these kind of activities. I was very proud. I was the only scientist from the East European countries there. And then after the meeting, I looked on the Internet and I observed the incredible scope of works you finance and you support -- scientific works studying and enhancing these activities. To my regret, I have seen that for you there is a problem of citizen participation in Africa, America, Latin America, but not in Europe in Eastern Europe, I mean. Sorry.

So I would like to say a very soft warning and sort of prevention. We have a very special understanding of participation. Please make us also object of your studies.

Thank you.

MR. WOLFENSOHN: Can I, first of all, thank you for making that observation, and let me tell you what I think about the issue of citizen participation.

The first thing is that we have learned, as we said in Trieste, that if you are looking for effective projects, the only way that you can have really effective projects is when they are owned by the citizens and when the citizens participate in the construction and development and monitoring of projects. That is broadly true.

If you give a community a school and you design it in Washington or in Paris or in London, and you set down a schoolhouse as a gift, two years later it is a stable or it is being used for something else.

If you go to the community and you work with them on what they want as a school and they participate in it, it will always be a school. And they will deal with the questions of the teachers and the curriculum and everything else. As an image, that is a correct image.
But what we have learned is that you cannot design the participation in Washington or London or somewhere else. It has to relate to the local culture and, very often, the local government where there is a different history of participation.

In some countries, if we go along with the government and say we want participation with NGOs, they say instantly you are trying to support the opposition or the communists or whatever it is that is their opposition. And I must say that we have had less success so far in the former Soviet countries or former influenced countries than we have had in Africa or Latin America or some other areas.

I think this is a question of adaptation and of development which we cannot rush. My experience is that you need to build it within the context of the evolution of the society. We can make the statement in principle, which I believe, that participation is the most effective way of getting long-term development. But if we are having difficulties in some parts of Eastern Europe or the former Soviet Union, then I think we have to take it a little bit at the pace that the citizenry and the government is prepared to cope with.

We can give it a push, but we cannot be counter-cultural in terms of history, in terms of images that you sometimes set off when you come in and you talk about citizen participation in a different context.

Maybe if you are a professor you can help me in how it is we might do it better in some of these countries, and, we would be delighted to listen to you. But I would say that the issue of participation is country- and culture-specific and you need to take that into account when you are dealing with these issues.

Over here, yes, sir?

QUESTION: My name is Petr Hlobil. I'm with CEE Bankwatch Network, which is one of the institutions which is looking at multilateral financial institutions and what they are doing here.

I was interested to hear you speak about the participation and listening to the local communities. Will you apply that principle also in Chad-Cameroon pipeline, which is now under consideration in your Bank?

MR. WOLFENSOHN: Yes.

QUESTION: --where there are a number of local communities calling you, to stop for now with the project because they are worried that the money will be misused, due to lack of public control. Also, how are you going to respond to the people in Kyrgyzstan which was highly affected by the cyanide spill which happened two and a half years ago. Since then, your Bank financed this project on the gold mining, and since then, there were a number of attempts by the local people -- the local communities -- to get information from the project sponsors, to get an emergency spill plan. These things still did not happen, and we hear very little from your institution to support a call of the local people.
MR. WOLFENSOHN: Well, let me talk about both subjects because I actually have spent quite a lot of time on each one of them. And let me tell you about the Chad-Cameroon pipeline, which has occupied my thinking for the last three years and in which I have met personally with probably 30 or 40 local groups from Chad and from Cameroon, both government and opposition, people who live in the area, people who hate us, who hate the oil companies, and others who like Chad and in Cameroon.

And you start in Chad and Cameroon with a history of political conflict and abuses of human rights, which happened long before the Chad-Cameroon pipeline. This is not the Czech Republic. It is not the United States. It is one of the poorest areas of Africa.

And the single resource which there is in Chad at the moment is oil, which will either be developed with the Libyans or with the Chad-Cameroon pipeline project or not at all.

And let me say that it would be a lot easier for me if I closed the door on the Chad-Cameroon pipeline. I am personally concerned about poverty in Chad and in Cameroon.

And so what we have done is to come up with a program in conjunction with as many people as I can talk to and listening both to the opponents and to those who favor the project, and there are both in Chad and Cameroon, and perhaps you should see some of those that favor the project.

And we have come up with a proposition which is unique.

It takes the income from the Chad-Cameroon pipeline and puts it into a publicly monitored and transparent fund which is then used for social purposes unique in Africa, unique in the world, so that you say if you get the benefits from a Chad-Cameroon pipeline, then it will be used for social and public purposes, it will be transparent, it will be visible, and that it is better not to stop the project than to try and do it under that sort of framework.

Some people say it is not doable and, therefore, delay it. Most of those who are suggesting delay are suggesting that if the government changed, they could do it. They are not against the project.

They are against anyone who does the project.

And so we have to make a decision in the coming days as to whether we are going to go ahead with the project or whether we are not going to go on with the project. But it will be transparent and it is designed to hit poor people in the sense that the money will be destined to the poor people.

I do not know where we will come out, but I want you to know that we have really consulted a lot. We have had no less than 43 different pipeline routes in terms of looking at how one deals both with the issues of environment and the issues of indigenous people, including the Pygmies, with whom we have also met.
In the end, we have to make a judgment. It is not a judgment based on profit. It is not a judgment based on the oil companies. But it is a judgment. And my instinct at the moment is that you are better off to try than not to try. That is my instinct. But the Board will decide.

But the suggestion that we have not listened and have not talked is not correct. I have anthropologists who work on my staff that have lived with the Pygmy community for 18 months, who speak the language. I have people that have lived in Chad and Cameroon. And, interestingly enough, and contrary to public view, I have a thousand Africans working at the Bank, including Chadians and Cameroonians with whom I have talked.

So this is not a white, Anglo-Saxon decision made in Washington. This is a decision made with Africans. And some will like the decision and some will not. And we will make a decision; some will like it, some will criticize it. And you will probably hear next week what it is.

Now, with relation to the cyanide spill in Kyrgyzstan, I have been deeply concerned about that. We will within the coming weeks be coming out with a full report on the Kyrgyzstan issue. I do not believe that were culpable, but let us deal with that report, and I will be glad if you give me a card to send you what the findings are.

The person behind you?

QUESTION: You started your speech talking about demonstrators, and you were closing down with talking about demonstrators. And so you seem to be taking those signals very seriously.

So my question is: Is the World Bank an institution considering a more expansive approach in external communication? Are you setting up special forums for discussions based on countries issues and topics? You were mentioning the Internet. Are you using those tools to maybe remove some clouds, et cetera, et cetera? Because what I very much agree with you is, yes, let us talk and let us communicate. These are more efficient. So it is probably important not for the World Bank only, but for us working in the financial sector also so that the World Bank can focus on its work solely. So it is important not only for the Bank but for us, too, that you can work effectively, and to make you work effectively, you need to communicate effectively. So can you tell us more about the ways you can approach the problem?

MR. WOLFENSOHN: Sure. Let me say that the reason that I am talking about demonstrators is that, since I have been here, a lot of people have talked to me about demonstrators. It does seem to me that it is not an issue that one can ignore in Prague. I am sure the gentleman over here would confirm that it is an issue that is on peoples minds, certainly on his and certainly on mine.

I should confess to you that when I was in Seattle at the WTO meetings, I felt very superior to the head of the WTO because there were no signs about the World Bank. They were all about WTO. And I said to Mike Moore, I said, you know, if only you did what we do, you would have no problems. That lasted about two months until the spring meetings when, just before,
when I was driving through Central Park, I saw a big sign which said Come to Washington on such-and-such a date for Seattle Part 2. And it was then very clear to me that the reaction was not about WTO, it was about a lot of fears about globalization, and about international institutions. And I came to realize that the issues were much broader than WTO and that maybe we were not getting our message out.

We have spent five years trying to get the message out. We clearly have not succeeded in convincing some sections of the society. And so what I am looking at is how, in fact, we can have a better strategy to get out. If it were not quoted, I think maybe what I should do is to put an "I Love You" bug in your Internet so that I can destroy everything that you are trying to do. I have thought about it.

MR. WOLFENSOHN: So be very careful when you get a message from me which says "I Love You."

But there are many things that we should use in our Internet strategy. The reason I say that is that last night I got an "I Love You" note in my Internet as I checked it. Maybe it was from you. But, in any event, it is clear that we need to have a positive strategy, and we are trying to do it at universities, and we clearly have to try and do a better job.

Some of the people, the more extreme people, you will never reach. But I think that with the middle ground you have a real chance of a constructive dialogue. Frankly, that is what I am looking for. It is not fear. It is that I am deeply concerned about the problems in these next 25 years. I am concerned more for my kids than I am for myself. I do not have to do this job. I do it because I really believe that the issues that we are facing are urgent issues. And I would like to get on with the substantive activity, and we continue with it.

But the reason I am commenting on the demonstrations is that you cannot ignore public opinion. What you want to do is to make it constructive. And so if I have a preoccupation today, it is not because I am departing from my routine or the work, but that I really do believe that this is a new phenomenon and that it is an expression for the best people, such as you, perhaps, of a real concern about globalization, about institutional framework, which needs to be addressed. And so I am eager to try and address it.

It is not that I stop what I am doing, but it is a real factor. And I think it should be addressed, and I hope it will be a positive development that we can do things better together.

Yes, sir?

QUESTION: I think part of leadership is not just the vision you set at the World Bank but how infrastructure exists within the Bank. And I find the selection process for the IMF head had been rather bad, at best, when Caio Koch-Weser was prevented from becoming the head. I know that is not directly your area, but I would like to hear your comment about some of the changes that you intended to have take place. And having said that, I found it a real shame that Joseph Stiglitz had to leave as the chief
economist of the World Bank. I like him. I thought he had very good ideas. And so I would just like to hear your feedback about that.

MR. WOLFENSOHN: Sure. Joe Stiglitz left the World Bank, as he said himself, because he wanted to be free to make whatever comments he likes about the World Bank or about anything else. Joe is still a friend of mine. And the World Bank is still relying on him as an informal advisor. I am not going to comment on Joes history with the US Treasury or his views on what might have been done in Russia five years ago or other things which are very personal for Joe Stiglitz. And since hes anxious to express those views, I think he is better placed to do it from Stanford or from Brookings than as a spokesman for the Bank.

But he has been replaced by someone who is equally strong in Nick Stern, maybe not as colorful but no less intelligent, in my judgment. And we have linked up with Amartya Sen and a lot of other people who are helping us.

But its unlikely to be as good headlines as Stiglitz, but you will still have Stiglitz around to constantly remind us of our inadequacies. And I will be very happy to discuss them with him at any time.

As to the selection of the Fund Head, I do not have any real comments other than to say that I think that arising from that particular experience there is a strong move that in the future it might be done differently. Maybe in the future I would not get the job. But that is probably a good thing. Well see. I have just been renewed for five years, but I have told the Board if they want to have a rethink, I would be delighted to retire.

I think that, on a more serious vein, Caio Koch-Weser was a terrific guy. He was a friend of mine. I think that the current incumbent, Horst Koehler, is a terrific guy. I hope and believe he will do a good job. But I do believe that these public debates with national foci are not constructive, either for the Bank or for the Fund. I believe that the result this time is very good. But I think a lot of people are thinking that the process should be more elegant and less personally abusive. And I hope that that happens.

PRESENTER: Ladies and gentlemen, I am watching my watch, and I am afraid it is roughly the time for the last question for Jim.

MR. WOLFENSOHN: I thought he was speaking Czech.

MR. WOLFENSOHN: Sorry. Yes, last question?

QUESTION: Radio Free Europe, Mr. Wolfensohn. This is not exactly in your area, but I would be interested for you to tell us what you think of the Romanian situation with the run on the banks and the collapse of the Unit Trust. How serious for Romania is it?

MR. WOLFENSOHN: Well, you are right, it is not really my area.

Is there another question on the Czech situation or on Prague?
QUESTION: How does the World Bank coordinate its politics with the European Union? Recently I was at a summit of some regional leaders in Sofia where it was also cosponsored by the World Bank. Could you describe how you coordinate your policy with the European Union in Southeastern Europe, for instance?

MR. WOLFENSOHN: Yes. Well first of all, we have two influences on the Bank. We have a Board of Executive Directors which represents the individual countries that are participants in the European Union, and it is a resident Board of Directors. So you have a resident in Washington, representatives of your country as well as countries that are members of the European Union who are there full-time as daily influences. And the Board meets twice a week as a Board and meets daily in committees. So there is a pretty strong sending of messages from individual countries.

To the extent that the members of the Union come together or reflect opinions, through the Ambassador in Washington, we can get official positions. But there is not always yet total harmony within the position of the individual members of the Union and the position of the Union itself. I guess that is not a surprise to you since you write for the Handelsblatt.

We, however, have established a much closer relationship with the European Community, and that is now, I would say, working really quite well. The advantage of the Community -- the huge advantage of the Community -- is that it has grant funding. We have lending. One of the things, however, that we can do that can contribute is that we have had more experience on some of these areas than do the teams in the Commission. And so what we are trying to do is to work with the Commission and there is a new Commission now to try and find ways in which we can identify those areas in which we can work together.

If you take the issue of Bosnia, as a single example, we work very closely. We have a joint office. On issues of the Balkans generally, we are working jointly together. And I think a lot of the sensitivity which there was about a possible opposition is, in fact, being resolved as we get into individual projects. And I think if you were to ask in Brussels today, I think they would say that it is a growing and positive relationship. And from my point of view, that is the way I am treating it.

So thank you all very much. I look forward to seeing you behind the barricades at our meeting. And if you come out in front, I will be delighted to see you.

Thank you very much.

PRESENTER: President Wolfensohn, Minister Mertlik, it is indeed a great honor for the Bohemia Foundation that you have presented your speech in front of this Leaders Forum, and I am sure there will be some more discussions just now following, because I have the great pleasure, President, Minister, Excellencies, ladies and gentlemen, to invite you to a cocktail where we can follow to discuss some of the issues.
Thank you very much for your attention and have a nice afternoon.