Statement by Paul Wolfowitz, President of the World Bank Group

April 12, 2007

Paul Wolfowitz: Let me just say a few words about the issue on everyone’s mind. Two years ago, when I came to the Bank, I raised the issue of a potential conflict of interest and asked to be recused from the matter. I took the issue to the Ethics Committee and after extensive discussions with the Chairman, the Committee’s advice was to promote and relocate Ms. Shaha Riza.

I made a good faith effort to implement my understanding of that advice, and it was done in order to take responsibility for settling an issue that I believed had potential to harm the institution. In hindsight, I wish I had trusted my original instincts and kept myself out of the negotiations. I made a mistake, for which I am sorry.

Let me also ask for some understanding. Not only was this a painful personal dilemma, but I also had to deal with it when I was new to this institution and I was trying to navigate in uncharted waters. The situation was unprecedented and exceptional. This was an involuntary reassignment and I believed there was a legal risk if this was not resolved by mutual agreement. I take full responsibility for the details. I did not attempt to hide my actions nor make anyone else responsible.

I proposed to the Board that they establish some mechanism to judge whether the agreement reached was a reasonable outcome. I will accept any remedies they propose.

In the larger scheme of things, we have much more important work to focus on. For those people who disagree with the things that they associate me with in my previous job, I’m not in my previous job. I’m not working for the U.S. government, I’m working for this institution and its 185 shareholders. I believe deeply in the mission of the institution and have a passion for it. I think the challenge of reducing poverty is of enormous importance. I think the opportunities in Africa are potentially historic. We have really been able to call attention to the progress that’s possible in Africa, and not just the despair and misery in the poorest countries. I think together we’ve made some progress in enabling this institution to respond more effectively and rapidly both in poor countries and in middle income countries to carry on the fight against poverty. I also believe—even more strongly now than when I came to this job—that the world needs an effective multilateral institution like this one that can responsibly and credibly manage common funds for common purposes, whether it is fighting poverty or dealing with climate change or responding to avian flu. I ask that I be judged for what I’m doing now and what we can do together moving forward.