

Rt Hon Gordon Brown MP  
Chancellor of the Exchequer  
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Dear Chancellor

We welcome the resignation of World Bank President Paul Wolfowitz in light of the findings of the ad hoc committee, which found him guilty of violating Bank rules by awarding pay rises and promotions to his partner. Our key concern now is what happens next.

This process has been emblematic of serious accountability and transparency issues at the World Bank. If the Bank is to restore its shattered credibility, it needs to act fast to reform the way it is governed. Creating a transparent leadership selection process, open to all nationalities based on merit, must be the first step. The antiquated system, which sees the president of the World Bank appointed by the US, and the head of the IMF by European countries, must end.

The UK has already publicly supported this move in its White Paper on International Development. More recently, in a statement to Parliament, Secretary of State for International Development Hilary Benn said that "the practice of picking the heads of the World Bank and the IMF based on nationality should end and both presidents should be chosen on merit".

We are urging you, as Prime Minister in waiting and former Chair of the IMF's governing body, to show greater leadership in ensuring that these words are translated into action. This means using your influence with the US government to persuade them to abandon the outdated convention that sees the White House nominate the president of the World Bank. Instead

there should be a new, open and merit based selection process. We would also ask you to state publicly that the UK no longer supports the European claim to appoint the IMF Managing Director, and to encourage your colleagues across Europe to do the same.

Lastly we urge you to state publicly that you support root and branch reform of IMF and World Bank governance and voting arrangements so that poor countries - whose citizens are the most heavily influenced by these institutions - can properly represent themselves.

Sincerely



**Jeff Powell, Coordinator, Bretton Woods Project** on behalf of:

ActionAid UK

Save the Children UK

Christian Aid

CAFOD

Tear Fund

Friends of the Earth (England, Wales and Northern Ireland)

One World Trust

new economics foundation

One World Action

Jubilee Debt Campaign

Forest Peoples Programme

World Development Movement

The Corner House

cc:

Rt Hon Hilary Benn MP, Secretary of State, DFID

Tom Scholar, UK Executive Director to the World Bank and IMF, UK Del

Shriti Vadera, Council of Economic Advisers

Mark Bowman, Director of International Finance, HMT

Sally Taylor, Head of IFID, Department for International Development

Mike Dixon, Special Advisor to the Secretary of State, DFID

John McFall MP, Chair, Treasury Select Committee

Malcolm Bruce MP, Chair, International Development Select Committee