

# World Bank focus criticised

■ Watchdog hits at emphasis on health and education spending ■ Call for changes ■ Attention should shift to growth agenda

By Andrew Balls in Washington

The World Bank should focus on promoting economic growth rather than social policies as the route to reducing poverty, the bank's internal watchdog said.

The hard-hitting report by the bank's Operations Evaluation Department, an independent unit that analyses the bank's lending, criticised the emphasis placed on education and health spending under James Wolfensohn's leadership.

Two weeks before Paul Wolfowitz takes over as president of the world's leading development institution, the report called for changes in the way the bank works. It also questioned the bank's effort, since 2001, to focus its business processes to pursue

the United Nations' Millennium Development Goals, which set a range of social targets.

"The record suggests that more attention should be paid to the growth agenda. Just getting spending up in the social sector is not enough for poverty reduction," said Ajay Chhibber, acting director of the OED.

The report called on the bank to refocus its efforts on infrastructure projects and urban and rural development. It said the record showed the private sector had not provided adequate financing for infrastructure projects.

Jim Adams, the bank's vice-president responsible for country operations, welcomed the report, saying: "It is the OED's job to use its bully pulpit on the way we should go forward.

It is the OED's job to be critical on what the bank does."

Mr Adams said the increased focus on growth and infrastructure projects was something the bank had taken on board over the past 18 months.

Poor countries have demanded more lending for power, road, water and telecommunications projects. The report suggested the bank's focus on social-sector spending reflected the desires of donor countries. The OED's Annual Review of Development Effectiveness is based on analysis of bank projects over the past 15 years. The report suggested that education and health projects failed to reach the poorest people and said there had been inadequate assessment of the impact of those expenditures.

Mr Adams said the bank did not apologise for its focus on health and education spending, but added that there was room for great improvement. "You cannot deal with all the issues on day one. What the report says, correctly, is that we should now focus more on the quality of those projects," he said.

The report highlighted "inconsistencies" in the way countries were treated, saying that richer post-conflict ones received up to nine times as much assistance as poorer ones. It pointed to the high level of support for Bosnia-Herzegovina, Timor Leste, the West Bank and Gaza in the 1990s compared with Africa.

cells from only one egg in the new procedure. The result from patients of between 2 to 56, who from spinal injury betes or a congenital disease. Starting with eggs, they produce 11 of which yield independent embryos. "Some thought it success with cloning because it used and the [ovarian] ing it," said Amir Cambridge University good news for men cloned lines were men's skin cells."

The Koreans transferred into a human embryo nucleus had been were cultured to be plicating "line" of Prof Hwang war to expect clinical therapeutic cloning.

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Paul Wolfowitz: to inherit report

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