

Press Conference with Germany's Chancellor Angela Merkel and World Bank Group President Jim Yong Kim

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World Bank Group President Jim Yong Kim

Press Conference

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Transcript

DR. KIM: I want to start by saying something, Christine Lagarde said it very eloquently this morning when she was in Frankfurt. I am an economic migrant. My parents moved with me and my brother and sister from an extremely poor country, one of the poorest countries in the world in 1964, South Korea when the GDP per capita was lower than many countries in Africa. And at that time, the United States took me in and gave our family a chance. And I want to say something specifically to the German people: I know this has been difficult, but I applaud the courage of Chancellor Merkel and the German government, and I thank all of you for in very difficult circumstances accepting these migrants, these refugees.

I was just in Jordan, Lebanon, Iraq and Tunisia, and I want to assure you that we are using every tool that we have, trying to use every innovative financial tool, utilizing loans and grants, mixing them together, trying to figure out ways to create hope and optimism among the people of that region. It is a very difficult situation. You have unemployment rates among college-educated people that are over 50 percent. So there's much much much work to do. But in the meantime, I didn't want to visit Germany without thanking the German people directly. I've said this before in the German press, but I think it's a great act of humanitarianism that shouldn't go unnoticed.

There are many many problems in the world that now intersect between development and issues like this, humanitarian emergencies. The one basic

fact that I've learned now in my fourth year as President of the World Bank Group, is that because of transparency and listening to media, everyone knows how everyone else lives. And it's absolutely inevitable that poor people from all over the world will want to live better, more prosperous lives. And so we have to tackle the greatest emergency in front of us with creativity and with resolve. And what I hope is that under Germany's leadership, the G20 will take on this agenda of setting some clear priorities. I would put several on the table. First, many many countries are now going down the path of increasing the use of for example coal and other fossil fuels, and we think that we can use again finance to shift the direction. In the area of pandemics we learned with Ebola and with Zika that we are not prepared. Chancellor Merkel specifically asked me and the World Bank Group to take this on, and we are about to be able to announce for the first time in history that an insurance policy led by [inaudible] where we are going to be able to begin to think about insuring the world against the disaster of pandemic. Zika has taught us again that we are not ready. We think we can be ready and we think this is another very very top priority.

We at the World Bank Group are changing the way we work because we can no longer say that development is separate from humanitarian response, that development is separate from tackling things like climate change. We are grateful for German leadership in all of these areas and we very much look forward to [inaudible].

ANSWER TO QUESTION ON PANAMA PAPERS AND CORRUPTION:

DR. KIM: Let me just jump in here. Corruption is an issue that we deal with literally every day in our projects, and we've developed a robust system to find it. But I tell you, if you talk to leaders for example in Africa, they'll tell you that one of their biggest problems is what they call illicit financial flows. It's companies that don't pay taxes. It's leaders that literally raid the treasury and take it abroad.

We have a program called the Stolen Asset Recovery Program – we've had some successes, but we know that the vast majority of these sorts of crimes don't get reported. Now, I really take off my hat to Angel Gurría and what he's done with BEPS Base Erosion and Profit Shifting where he's bringing a new level of transparency about who pays taxes where. It's very exciting to know that that's going to be expanded to developing countries.

As we face so many problems, as we face potential instability in Northern Africa, as we face instability in Sahel in the Horn of Africa, etc., I think it's very important that we take this opportunity to continue and aggressively move forward to find how these illicit financial flows are moving.

I think that one good thing in all of this about the future in terms of corruption is that I can't see this movement towards transparency going backwards. I think it's going to continue to move forward, I think there's going to be more and more transparency, and I think it's time to really get serious about working, seeing how we can begin to unfold and reform systems, sometimes that have been in place for so long that it's very difficult to unwind. But we have to, we must unwind these programs.