

## A. W. Clausen is new Bank president

A. W. Clausen, formerly president of the Bank of America, succeeded Robert S. McNamara, who retired on June 30, as president of the World Bank.

His candidature had been proposed by the United States Government and was approved by the Executive Directors of the Bank on November 6, 1980.

Mr. Clausen, 57, joined the Bank of America in 1949 as a trainee just out of the University of Minnesota law school and rose to become president of the San Francisco-based institution 21 years later. His career at the Bank of America spanned 31 years, and he played an important role in the bank's expansion in the United States and overseas.

Born in Hamilton, Illinois, he was educated at Carthage College, the University of Minnesota School of Law, and the Harvard Business School. Mr. Clausen has been be-



Ivan Andrews for F&D

stowed many honors, including the Order of Merit of the Italian Republic, California Industrialist of the Year (1978), and the Order of Francisco de Miranda of Venezuela.

## China to receive its first World Bank loan

China's efforts to develop its higher education in science and engineering and thus relieve a persistent shortage of trained manpower in these areas will be assisted with a loan of US \$100 million from the World Bank and a \$100 million credit from the International Development Association (IDA). This is the first World Bank operation in China since the People's Republic assumed China's representation at the World Bank in May 1980.

The University Development Project will help increase enrollment of science and engineering students at 26 leading universities from 92,000 to 125,000, introduce graduate degree programs, improve the quality of teaching and research, and strengthen the management of universities and the Ministry of Education. The total cost of the project is estimated at \$295 million, of which the World Bank and IDA will finance the full foreign exchange cost of \$200 million. The remainder will be financed by the Government.

Table 1  
World Bank and IDA lending:  
fiscal years, 1980-81  
(Ending June 30)

	Fiscal year	
	1980	1981
(In millions of U.S. dollars)		
World Bank		
Loan amounts	7,644	8,809
Disbursements <sup>1</sup>	4,363	5,063
(Number)		
Operations approved	144	140
Borrowing countries	48	50
Member countries	135	139
(In millions of U.S. dollars)		
International Development Association (IDA)		
Credit amounts	3,838	3,482
Disbursements	1,411	1,878
(Number)		
Operations approved <sup>2</sup>	103	106
Borrowing countries	40	40
Member countries	121	121

Source: World Bank Annual Report 1981.

<sup>1</sup>Excludes disbursements on loans to International Finance Corporation.

<sup>2</sup>Joint World Bank/IDA operations are counted only once as Bank operations.

Table 2  
IDA credits approved during fourth quarter of fiscal year 1981  
(Ended June 30, 1981)

Country <sup>1</sup>	Purpose	Amount (In millions of U.S. dollars)
Bangladesh (2)	Tubewell irrigation, agricultural credit	58.0
Benin (3)	Rural development, water supply, highways	36.3
Burundi (3)	Agriculture, industry, highways	48.3
Cameroon	Technical assistance	10.0
Central African Republic	Technical assistance	4.0
China	Education	100.0 <sup>2</sup>
Egypt, Arab Republic of (2)	Water supply, technical assistance	63.5
Ethiopia	Education	35.0
Ghana	Railways	29.0
Haiti	Development banking	7.0
India (4)	Agriculture, agricultural extension	213.0
Kenya	Agricultural credit	10.0 <sup>3</sup>
Lesotho	Education	10.0
Madagascar (2)	Technical assistance, forestry	31.5
Mali	Oil exploration	3.7
Niger	Education	21.5
Pakistan (3)	Grain storage, agricultural research, irrigation and drainage	97.0
Papua New Guinea	Agricultural credit	15.0
Senegal	Small-scale enterprises	2.5 <sup>4</sup>
Sierra Leone (2)	Highways, agriculture	18.5
Sri Lanka (3)	Transportation, village irrigation	133.5
Sudan	Technical assistance	6.0
Tanzania	Export rehabilitation	50.0
Togo (2)	Highways, industry	25.7
Upper Volta	Highways	46.0
Yemen, People's Democratic Republic of (3)	Highways, agriculture, water supply	24.0
Zaire	Technical assistance	2.9
<b>Total</b>		<b>1,101.9</b>

Source: World Bank.

<sup>1</sup>Figures in parentheses are the number of credits approved for the respective country.

<sup>2</sup>With a \$100 million Bank loan.

<sup>3</sup>With a \$25 million Bank loan.

<sup>4</sup>With a \$6.5 million Bank loan.

In terms of population, China is the largest member country of the World Bank; its gross national product per capita has grown at an annual rate of 2.5 per cent to 3 per cent during 1957–79, reaching \$260 in 1979. This growth rate is significantly above the average for low-income developing countries (1.6 per cent during 1960–78). Growth has been especially rapid in industry, which accounts for about 40 per cent of the country's gross domestic product and is similar to the average for middle-income developing countries.



Students practice field surveying in Xizang

Economic priorities and policies have been under intense discussion in China in recent years. It is now generally agreed that the country's future growth will have to come mainly from a more efficient use of its resources. To this end, the Government has embarked on a long-term program to adjust the structure of the economy and to reform the basic economic system.

Effective use of physical resources has in the past been held back by the underdevelopment of science and technology. Progress in these fields has been limited and sporadic, and China is now considerably behind other countries. To meet its scientific and technological needs China is currently engaged in increasing the output and improving the quality of higher education and research. The country's education development program calls for an annual increase of 7 per cent in undergraduate enrollment, reaching an enrollment of 2.2 million students in 1990. Four million students are expected to graduate during the 1980s. Graduate programs will increase their enrollments from nearly zero to 200,000 by 1990 and produce 100,000 graduates in the 1980s.

### Colombia to develop power and irrigation sectors

The World Bank recently approved two loans to Colombia's power sector; one will assist the construction of a hydroelectric facility, and the other will expand the supply of electricity to a backward region. A third loan, to rehabilitate irrigation and drainage structures in eight Colombian districts, has also been approved. The three loans total US\$432 million. Of this, \$359 million will go for the construction of the Guavio power plant, the largest hydroelectric facility to be built in Colombia. When completed, the facil-

**Table 3**  
**World Bank loans approved during fourth quarter of fiscal year 1981**  
(Ended June 30, 1981)

Country <sup>1</sup>	Purpose	Amount (in millions of U.S. dollars)
Brazil (4)	Industry, agricultural research and extension, water supply	519.0
Colombia (3)	Power, irrigation and drainage	432.0
China	Education	100.0 <sup>2</sup>
Costa Rica	Oil exploration	3.0
Cyprus	Agricultural credit	14.0
Dominican Republic	Cocoa and coffee development	24.0
Ecuador	Rural development	20.0
Egypt, Arab Republic of	Iron and steel industry	64.0
Indonesia (3)	Small-scale enterprises, agriculture, urban development	310.0
Jamaica (2)	Development banking, oil exploration	44.5
Jordan	Power	25.0
Kenya (2)	Railways, agricultural credit	83.0 <sup>3</sup>
Korea, Republic of	Agricultural credit, urban development, development banking	200.0
Malawi (2)	Structural adjustment, technical assistance	46.0
Malaysia	Agriculture	37.0
Mauritius	Structural adjustment	15.0
Mexico	Urban development	164.0
Morocco	Water supply	87.0
Nicaragua (2)	Water supply, industry	33.7
Nigeria (3)	Agriculture and rural development, technical assistance	321.0
Panama	Road rehabilitation	19.0
Paraguay (3)	Livestock development, education, water supply and sanitation	58.8
Peru (2)	Industrial credit, power	85.0
Philippines (2)	Development banking, primary education	250.0
Portugal	Oil exploration	20.0
Romania	Irrigation	80.0
Senegal (2)	Small-scale enterprises, railways	25.8 <sup>4</sup>
Swaziland	Power	10.0
Syria	Education	15.6
Thailand (2)	Irrigation, power	157.0
Tunisia (5)	Agricultural development, small-scale enterprises, power, health care, textile industry rehabilitation	126.6
Turkey (3)	Fertilizer industry, structural adjustment, development banking	480.0
Yugoslavia (2)	Railways, agricultural development	124.0
Zambia	Agricultural development	11.0
Zimbabwe	Transportation	42.0
<b>Total</b>		<b>4,047.0</b>

Source: World Bank.  
<sup>1</sup>Figures in parentheses are the number of loans approved for the respective country.  
<sup>2</sup>With a \$100 million IDA credit.  
<sup>3</sup>With a \$10 million IDA credit.  
<sup>4</sup>With a \$2.5 million IDA credit.

ity will have a capacity of 1,600 megawatts by the end of the century and will provide 15 per cent of the country's electricity needs.

Another \$36 million will be loaned to expand the supply of electricity to some 512,000 rural households in the backward North Atlantic region. The project will also seek to extend existing transmission facilities to 120 villages presently without electricity, rehabilitate the deteriorated distribution in some towns and villages, and connect 25 small towns—which at present use costly

and unreliable diesel generators—to the regional power system.

Since 1950 the World Bank has supported Colombia's power sector with 26 loans totaling \$1,015 million.

The third loan of \$37 million will help rehabilitate the irrigation and drainage structures on about 47,000 hectares and will result in an increase in crop yields and better use of irrigated water. About 29,000 persons are expected to benefit from the project.

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