

TAXPAYERS PROTECTION ALLIANCE

July 9, 2019

President Donald Trump
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20006

Dear Mr. President,

On behalf of millions of taxpayers around the country, IGO Watch (an international coalition led by the Taxpayers Protection Alliance) urges you to investigate the World Bank's repeated, hostile retaliations against whistleblowers. Multiple instances of retaliation against whistleblowers, coupled with lackluster protections at the organization's Administrative Tribunal, allow the organization to get away with fleecing American taxpayers billions of dollars per year with no consequences. The Obama Administration's refusal to enforce the Whistleblower Protection Act enabled the World Bank to continue these practices without consequence.

The U.S. is the largest contributor to the World Bank Group (to the tune of over billions of dollars annually) and as such, it is morally imperative that our nation demands the highest standards of transparency and accountability from the organization. The protection of whistleblowers who expose misconduct is vital in ensuring good governance practices are followed and taxpayer dollars are protected. Unfortunately, the evidence shows that this has not occurred. We thereby call upon your administration to use this year's appointment of David Malpass as Executive Director of the World Bank Group to open an investigation into the treatment of whistleblowers and call for widescale reform in the Bank.

The case of Dr. Yonas Biru, former deputy global manager at the World Bank's International Comparison Program, is a particular example that illustrates how poorly the organization has treated members that voice concerns with policy and methodology. In 2008, the Ethiopian economist sounded alarms that the World Bank's 2005 data estimating country-by-country poverty levels was being deliberately and systematically skewed to inflate headcounts and increase subsidized loans to countries such as China and India (at the expense of even poorer countries in Africa), ratcheting up the burden on taxpayers who had to pay for programs based on this faulty data.

For standing up to bureaucrats manipulating data for the institution's financial gain, a gag order was imposed on Dr. Biru and his stellar performance record of seven years was retroactively downgraded. His titles were stripped, even after the World Bank implicitly acknowledged the flawed data by updating their poverty headcount. By then, however, the damage had been done and global taxpayers had been bilked billions of dollars due to the World Bank's "mistake" in overinflating the headcount of the global poor by 630 million people.

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A 2010 report by the Government Accountability Project provides a [full account](#) of the controversy, complete with appeals committee documentation. Prominent economists such as New York University scholar Paul Romer and Princeton scholar Sir Angus Deaton have [voiced concerns](#) with the World Bank poverty calculations, and a 2014 Brookings Institution report [corroborates](#) Dr. Biru's concerns about methodological issues at the World Bank. In addition, well-respected political figures from across the aisle, ranging from Sen. Chris Van Hollen (D-Md.) to Republican former Virginia Attorney General Ken Cuccinelli, have opined in support of Dr. Biru and sked the White House to investigate these matters.

Partially in response to Dr Biru's case, the United States Congress enacted the Whistleblower Appropriations Acts, the last of which was enacted into law in 2014 and required the U.S. government to reduce funding to the World Bank by 15 percent unless it agreed to give whistleblowers access to fair, impartial external arbitration. If enforced, this law would have cost the bank over half a billion dollars annually unless it started treating U.S. whistleblowers fairly.

Unfortunately, the Obama Administration refused to enforce these laws, and the then President of the World Bank– and Obama appointee – Jim Yong Kim refused to allow whistleblowers. Now represents the perfect opportunity to demonstrate leadership by launching an investigation into this, and similar, instances.

Instead of ineffectual, token promises to set the record straight, the World Bank should acknowledge concerns about its poverty calculations and work toward a better, more transparent process for its data efforts. In conjunction with governments around the world, America should push for the World Bank to right past wrongs, and also to ensure such things never happen again.

We call upon your administration to open a full investigation into the case of Dr. Biru and enact the provisions of the Whistleblower Protection Acts so that future whistleblowers have their voices heard and are subject to independent evaluation in full view of global taxpayers. Thank you for your attention and consideration of this pressing matter.

Sincerely,



David Williams
President