

World Bank**World Bank president Jim Yong Kim abruptly resigns**

Official to join firm focusing on infrastructure investment in developing economies

James Politi and Sam Fleming in Washington 13 HOURS AGO

[Jim Yong Kim](#) has abruptly announced that he will resign as World Bank president on February 1, more than three years ahead of schedule, leaving one of world's top multilateral economic institutions grappling with confusion and uncertainty over its leadership.

Mr Kim's departure is likely to trigger a debate about whether the decades-long tradition of allowing the sitting US administration to pick the president of the [World Bank](#) should continue, given Donald Trump's [deep scepticism](#) of multilateral institutions.

Although there is a formal selection process for the presidency of the World Bank, the board has consistently approved US appointees, while Europeans have won the post of managing director of the International Monetary Fund — an unwritten understanding that was already showing signs of strain amid the growth of emerging economies.

Scott Morris, a senior fellow at the Center for Global Development and a former US Treasury official under Barack Obama, said the decision over Mr Kim's successor would be “more contested than it ever has been”, and that it was not a given that a nominee pushed by Mr Trump would prevail.

There were “rough waters ahead” for the Trump administration in trying to figure this out, he said.

Mr Kim said on Monday he was leaving to join a “firm” — whose name he did not disclose — and would focus on “infrastructure investments in developing economies”, signalling that his departure was voluntary and not forced by the World Bank's top shareholders.

Kristalina Georgieva, the former EU commissioner who has been serving as World Bank chief executive, will take over as interim president of the World Bank when Mr Kim steps down next month.

“It has been a great honour to serve as President of this remarkable institution, full of passionate individuals dedicated to the mission of ending extreme poverty in our lifetime,” Mr Kim said in a statement. “The work of the World Bank Group is more important now than ever as the aspirations of the poor rise all over the world, and problems like climate change, pandemics, famine and refugees continue to grow in both their scale and complexity,” he added.

Mr Kim, a former top health official and academic, has been at the helm of the World Bank since 2012, when he was tapped for the job by former US president Barack Obama. In 2016, Mr Obama [re-appointed](#) him for a second five year-term, which began in the middle of 2017 and was due to expire in 2022. His decision to end his term much earlier has surprised many World Bank insiders and close observers of the institution.

Mr Kim's [tenure](#) in office has been rocky at times, as he tried to force through big changes within the World Bank bureaucracy that were met with resistance by the staff.

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Externally, the World Bank has been facing mounting competition in its core business of funding developing projects around the world, as other state-backed lenders have gained power and influence. Meanwhile, strains in the economic and strategic relationship between the US and China have started to play out at the World Bank — as in other multilateral institutions — over which projects should be financed.

Eswar Prasad, a professor at Cornell University, said Mr Kim's exit posed "significant risks" for an institution that was already perceived as suffering from "existential problems".

"Its stewardship is seen as being dominated by the US while its business model has been challenged by new multilateral institutions and by the rising incomes of emerging market economies that no longer need World Bank funding," Mr Prasad said.

In announcing his departure, Mr Kim touted two main accomplishments: two replenishments of the IDA fund, which supports the poorest countries in the world, and a \$13bn [capital increase](#) for the World Bank, which was backed by the Trump administration.

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