The World Bank is the most powerful international agency concerned with economic development. It is for this reason that some special aspects of the World Bank’s influence on events in Bangladesh are examined in a wider setting. Its programmes may or may not be greater than those of other aid-givers but the Bank is invariably regarded by its members as being in the position of giving leadership to their activities. This reflects the prestige that it has built up over the years, based on the high quality of the individuals it employs and its vast and specialised resources. Nowhere else in the world is there such a concentration of talent and know-how directed to the business of development. It has the resources to monitor continually the economies of the countries with which it is concerned and to report on them for the benefit of Bank members; it studies each aspect of the economy in depth and it has the technical knowledge of project preparation and lending for development that can be matched nowhere else.

It might have been thought that Bangladesh would not have hesitated early in 1972 to draw on the Bank’s expertise and to have used it as a means to attract assistance from other donors. In fact Bangladesh was in two minds. It regarded the Bank as being subject to strong influence from the United States and, as has been explained in Chapter 2, relations with that country were strained at the time. The Bank for its part was anxious to place its services at the disposal of Bangladesh and prepared to go to some lengths to do so. To have failed in this would have diminished its standing as the leader of the efforts of its member countries’ activities in an area of the world presenting a major challenge to development.
It is difficult to trace the early development of relations between the Bank and Bangladesh with completeness. The story at the time, possibly apocryphal, indicated that the first approaches were made in Delhi in February 1972, when Mr. Tajuddin Ahmed, then Finance Minister of Bangladesh, and Mr. McNamara, the President of the World Bank, both happened to be visiting the Indian capital. The Finance Minister was reluctant to meet the President of the World Bank and refused the overtures that were made. The Indian Government was equal to the occasion and skilful enough to arrange that both McNamara and Tajuddin were invited to *Son et Lumière* at the Red Fort on the same day. Strangely enough they were seated together; perhaps more strangely not one word was exchanged. Tajuddin was not amenable to such tactics.

McNamara refused to allow himself to be put off by evidence of reluctance to co-operate and persisted in attempting to establish contact. He succeeded in being invited to Dacca as an official guest of the Government, largely as a result of the personal intervention of the Prime Minister. The ensuing conversation was inconclusive. It was not the Bank that had hesitations but Bangladesh. The Bank is persistent and the approach was pursued, with the result that Bangladesh was eventually drawn into the Bank’s orbit. Initially relationships with the Bank, as described in earlier chapters, were strained, but economic necessity and accommodation of attitudes on both sides eventually enabled a smoother working arrangement to be established. When McNamara visited Bangladesh in early 1976, when the Bank felt fully established, he was fêted.

The performance of the Bank is bound to affect the countries to which it lends in a far reaching way and has considerable effect on other donors. A number of aspects of the Bank’s activities have been discussed in previous chapters. Here we are concerned particularly with its activities as a co-ordinator illustrated by aspects of its reporting system, its activities in relation to the establishment of a major fertiliser unit within a potential petrochemical complex, and its approach to setting up a population planning programme.

Bangladesh’s experience of negotiating with donor countries and agencies acting in concert in 1973 and early 1974 did nothing to belie the doubts that she had felt from the beginning about the wisdom of joining a consortium of aid-giving countries under the