

Mr James David Wolfensohn

The degree of Doctor of Science in Economics (honoris causa) was conferred upon James David Wolfensohn at the ceremony held on 29 September 1997.



Mr Wolfensohn and Vice-Chancellor Professor Gavin Brown, *photo, courtesy the University Media Office.*



Vice-Chancellor Professor Gavin Brown, James David Wolfensohn and the Chancellor Emeritus Professor Dame Leonie Kramer, *photo, courtesy the University Media Office.*

Citation

Presented by the Vice-Chancellor and Principal, Professor Gavin Brown

We honour today, James David Wolfensohn, who after he graduated here in the fifties in Arts and Law became an eminent international banker and a generous patron of the arts, and is now President of the World Bank Group.

"The Child is father of the Man", but there was little sign of that in his first two years at university where his academic performance was not good. There was a marked improvement in his third year when he gained credits in Meta-Philosophy and Music. In the next four years he passed in all his Law subjects and only in Torts did he have to repeat.

He could have done better, and Professor Julius Stone pressed him to do so, but at that stage he was more interested in spreading his interests and contacts. He was an active member of the Air Cadets, and later an officer in the RAAF Reserve, he was elected to the University Union Board and served in successive years as Honorary Secretary and Honorary Treasurer; he joined the University Fencing Club and became such an effective, though stylistically unorthodox, fencer that he was chosen to represent Australia at the 1956 Olympics in his final year at Law School.

By the end of his time here there were definite signs of the man he was to become. In addition to his interest in music and the arts, his contemporaries remember his charm, his eloquence, his stamina and his outstanding net working skills, and he had demonstrated a capacity to manage effectively a considerable range of activities.

After graduation he worked with Allen Allen and Hemsley until in one case he found that he needed to read a balance sheet and could not. Such was his embarrassment, he has recalled, that he wrote that night to Harvard Business School. There may have been more than embarrassment behind that rapid decision. He had earlier revealed to Miss Zena Sachs, Professor Stone's Graduate Assistant, that he hoped to have a successful career in international finance, and he may have seen this as his opportunity.

After his MBA at Harvard and a year at IMEDE in Switzerland he worked for two years with Ord Minnett in Sydney, and then in 1965 - aged 32 - he became a founder and Managing Director of a merchant bank, Darling & Co, later Schroder Darling. Three years later he made his decisive move into international banking when he became Managing Director of Schroder Wagg in London. He worked in Schroders, in London and New York, for nine years and only left when he did not become Chairman.

After five very happy and successful years with Salomon Bros International in London and New York, in 1981 he started his own investment bank in New York. One of his purposes was to gain freedom to integrate his business, non-business and cultural activities. His Bank, of which he was President and CEO until he became President of the World Bank, conducts investment banking business in North and Latin America, Asia and Europe; is a partner in the Russian American Investment Bank; has joint ventures with Rothschild in London and in the Fuji Bank in Tokyo; and provides strategic and financial advice to more than 30 major US and international companies.

His non-business and cultural activities did not start when he set up his own bank. He had begun to master the cello in the mid seventies, and he had helped to raise funds for the arts when he worked in London. Later Queen Elizabeth conferred on him the honorary title of Knight Commander of the British Empire for his contribution to the arts in general and for artistic exchanges between the United States and the United Kingdom in particular. But after he founded his bank his activities outside banking certainly increased.

As Chairman of first the Carnegie Hall and then the Kennedy Center for the Performing Arts he transformed what had become two sadly run down great institutions. He also put his financial and organising skills at the service of the International Federation of Multiple Sclerosis Societies, the Business Council for Sustainable Development and the Institute for Advanced Studies at Princeton.

In 1990 Robert McNamara proposed that he be made President of the World Bank. The Bank presented a great challenge. It had the financial resources to help reduce poverty in the third world and in post-communist Eastern Europe, but its loans policy was defective. It was not facing up to problems of corruption in the use of loans, nor the problems of excessive debt burdens. Mr Wolfensohn was keen to accept the challenge, and five years later he was given the opportunity.

After two years he has established a Strategic Compact Re-organisation Plan, and a Multilateral Debt Relief Program, to which over \$2 billion of the Bank's resources are committed. He is confident that he has or soon will have broken the arm-lock of bureaucracy in the Bank. His very personal and down-to-earth style of dealing directly with donor countries and recipients on matters of policy, his visits to third world countries and

to poor villages in them, has transformed the reputation as well as the activities of the Bank. When he leaves the Bank, this passionate and compassionate President wants to be able to say that he helped to take the Bank up to the next level of alleviating poverty and did it in a way that was sustainable, promoted the environment, and improved the position of women, education and health. We wish him every success in his great task.

Chancellor, I present to you James David Wolfensohn now a citizen of the United States, Fellow of the American Academy of Arts and Sciences, Chevalier Legion d'Honneur, Commander of the Order of Merit (Germany), Honorary Knight Commander of the British Empire and Honorary Officer of the Order of Australia, for the award of the Degree of Doctor of Science in Economics, honoris causa.