

INTERNATIONAL VIDEO CONFERENCE ON WDR/2003

(17 April 2002)

Belgium, Nigeria, South African and United Kingdom

Discussion Summary

The World Bank (WB) hosted a videoconference on April 18, 2002 with representatives from government, civil society, academia, and the private sector from four countries to discuss the draft of the 2003 World Development Report (WDR) titled “Sustainable Development in a Dynamic Economy”. The video conference was structured as an informal exchange between the WDR research team and some 30 representatives from government, civil society, private sector, and academia in four countries – **Belgium, Nigeria, South Africa, and United Kingdom**. (See the complete list of participants in Annex 1).

The video conference began with a short presentation on the WDR draft by the head of the WDR team - Zmarak Shalizi - and then followed by four rounds of questions by different participants in each of the four countries. What follows below is a summary of the major points made during the video conference.

WDR Presentation and Comments:

Zmarak began by thanking everyone for participating in this session despite the short notice they were given to read the Report. He then made a 20 minute power point presentation on the WDR draft which included the following points on the objectives, timetable, and nature of the Report:

This year the WDR preparation process is following a very tight timetable. The WDR team’s aim is to distribute the document in time for the World Summit on Sustainable Development (WSSD) held in South Africa on August 27-September 4, 2002. Therefore, the review process over the past several months has been subject to tight time constraints. Within the Bank, the content and structure of the WDR have been discussed with operational colleagues and senior managers. The WDR team is also seeking feedback from key interlocutors in government, civil society, academia, and the private sector. This feedback is being sought via face to face meetings, video conferences, and through the internet. A draft of the Report is now available on the internet at: <http://econ.worldbank.org/wdr>.

The WDR is an extensively researched and comprehensive report produced each year by the World Bank on different topic areas. It is intended to stimulate debate by bringing before the international development community key issues as well as tools that might help in dealing with specific development challenges. It is not an operational or policy document which spells out what the Bank should do, for that the WB has other instruments such as operational polices and guidelines.

Participants Comments

It should be noted that several of the civil society participants mentioned that they had not had enough time to read the lengthy report as it had only been given to them with a week's time or less. The comments are structured by countries.

Belgium

- When the WDR discusses the need for environmental and social assets, the larger problem is not the lack or poor management of assets but rather their distribution or the lack of equity. There is a need for greater inclusion as societies become increasingly polarized in this age of globalization. Within this context it is important to analyze the role of the state in this process since the WB has advocated a reduced government model in the past.
- In Chapter 4 when discussing the role and challenges of agriculture, there should be a discussion between the competitive, commercial “farmer model” and the more subsistence, family-oriented “peasant model”. Countries with the dominant farmer model has generally experienced mechanization of agriculture, over reliance on chemical inputs, pressures on the environment, and accelerated out migration of small-scale farm families to crowded urban areas.
- It is important that the WDR highlight the issue of land as a key asset for rural development, but the WDR should examine the negative impacts of the WB’s market-based agrarian reform approach in many countries, including Brazil.
- When WDR discusses the need to provide “productive” work to promote development, why not use the term “decent” work, and make sure that the WDR adheres to core labor standards as prescribed by the International Labor Organization (ILO).
- In Chapter 7 the WDR discusses the need to ensure a propitious climate for international investment and economic growth in developing countries. There is also a need to ensure appropriate rules for investment so it is carried out in an socially equitable and environmentally sustainable fashion.

Nigeria

- Several participants commended the WB for holding this video conference and thanked for the opportunity to comment on the WDR.
- Welcome focus on importance of social issues, particularly education since illiteracy is still very high in many of Africa’s former colonial countries (e.g. Nigeria’s rural population is 70% illiterate).
- Also welcome the focus on the need for access to land and education in Africa within the context of colonial rule, which in many ways, limited this access to the majority of the population. The land issue will be explosive in next few years with destabilizing consequences in some countries such as Zimbabwe.

- One area ignored in the WDR is the role that cold war-related military coups (1960s-1990s) in Africa had in undermining the evolution of democratic governments and the emergence of strong and independent civil society sectors.
- Welcome emphasis on access to technological innovation since this will be a critical factor in Africa in coming decades, but the Report should emphasize the need to ensure development of indigenous or local technology and avoiding intellectual dependency on the North. Related to this is the issue of intellectual migration from South to North, and the need to find ways to put more educated people to use in developing countries.
- WDR should address the need of balancing state and business interests in the environmental area (e.g. destruction of environment while oil producing). A clear example of this is the corporate responsibility of Nigerian oil companies in developing the impoverished regions where they operate.
- While institutions are important, the critical element in development is the human factor (e.g. individual competencies, social capital). How to make the human factor a more effective agent for development. Even if there is increased direct foreign investment (FDI) to the continent to strengthen institutions, human capacity may still not necessarily improve unless there are explicit strategies for this.
- The WDR should pay greater attention to the relationship between HIV/AIDS and poverty and what a large development toll the pandemic has exacted in some countries in Africa, in terms of reversing basic development indicators and exacerbating unemployment and slowing down economic growth.
- Discussion of government corruption and accountability is too brief in Report, covering what we already now.
- The WDR should examine the rise of racial fanaticism and religious intolerance in many parts of the continent and how this is leading to increased migration of Africans to more developed countries, and the subsequent destabilization of local economies.
- While the Comprehensive Development Framework (CDF) as proposed by the World Bank is important, it is equally important to determine which constituencies actually participate in these process, and the quality of that participation.
- There is actually very little to be optimistic about when looking at development trends in the continent. What has been the impact of the overseas development assistance (ODA) in Africa, and who has benefited most by these funds? There seems to be so little to show for all this investment.
- The issues of threatened biodiversity and growing use of GMOs in developing countries need to be better addressed. Madagascar is a cogent example of these growing problems.
- The WDR should discuss the role of state institutions in terms of transition dynamics. Why do institutions lag behind social movements and policies?

South Africa

- It is important to understand who the intended audiences of the WDR are in order to be able to ascertain if it achieves its objectives. What is the purpose of the WDR?
- The WDR should focus more on Africa and its many problems of sustainability. It would be good if there were more “best practice” examples and case studies provided on Africa throughout the Report.
- There should also be more focus on the role of foreign aid to developing countries, as well as the issue of trade and market accessibility.
- The Report should address the role of technological innovations, the intellectual dominance of developed countries, and how to ensure equity among developing countries in accessing technology.
- The WDR should address the issue of land ownership and as a key asset in rural development. This topic is particularly relevant in Southern Africa.
- It would be more useful to outline strategies needed to obtain sustainable development rather than simply listing the barriers.
- In this same light, it was asked if the WB would make concrete pledges at the upcoming WSSD Conference in Johannesburg in order to overcome barriers and allow the sustainable development agenda to move forward?
- With the growth of HIV/AIDS in Africa, it is important for the WDR to address the pandemic as a major obstacle to development.
- The Report should stress the need to build capacity and recognize the responsibility of local governments in promoting development, and not just value or support the role of civil society. Local governments need the resources and skills to carry out development, which can be carried out in partnership with civil society.

United Kingdom

- Other CSOs in UK are interested in providing feedback to the WDR, but since they were unable to attend the VC they will hopefully post their comments on the web site.
- Welcome the emphasis of WDR on social and political obstacles of development instead of simply presenting technical solutions. This is a step forward from past WDRs which usually focus on technical aspects of WB’s strategies. On the other hand, worried whether this more holistic approach comes through in all chapters. In Chapter 8, for instance, there is not much discussion on the role civil society and the private sector play in attempting to influence the debate.
- The WDR does seem to have some internal tensions which need clarifying. One example is the vigorous defense of economic growth for the least developed countries which clashes with the discussion of environmental thresholds and the needed management of assets in Chapter 2.

- The WDR should address in greater detail the issue of transgenetics and biotechnologies in agriculture in both developed and developing countries. The Report should also present more credible data on genetically modified organisms (GMOs).
- It is surprising that the WDR does not discuss the issue of unequal ownership of assets between the developed and developing world, and the role of corporate concentration of assets.
- Why the WDR does not discuss the role of global institutions (e.g. World Bank, UN agencies) in furthering the sustainable development agenda.
- National level indicators on sustainability not detailed enough in the Report and neither is the discussion on criteria for judging different national accounts patterns (e.g. comparing oil consumption between different countries).
- Since the WDR text is apparently too long, which sections will be left out.

WDR Team Response:

- In terms of the WDR audiences, they are many including governments, civil society, private sector, and academia. In terms of its purpose, it is hoped that it will stimulate debate in the upcoming Rio+ 10 conference in Johannesburg on sustainable development.
- The WDR itself is not related to possible pledges the WB may make at the WSSD Conference in Johannesburg, but hopefully not only the WB but other donors will make financial commitments to fund sustainable development, as well as present concrete proposals on how to ensure that ODA is well spent.
- The WDR has tried to highlight the issues of water and land assets in Africa, but agrees that more positive examples of African development alternatives should be included, perhaps through new boxes.
- Regarding the role of ODA and market accessibility, this WDR 2003 has not focused much on this as previous WDR have dealt extensively on these topics.
- In terms of the need to include more on the role of civil society in Chapter 8, the research team will try to add more data and analysis on this aspect.
- The debate about the apparent contradictions between the need to stimulate growth in order to reduce climate change vs. the need to respect environmental thresholds is indeed important. While the WDR team agrees that the impact of GMOs and mechanized farming need to be examined, today it is widely accepted that the “green revolution” played a key role in reducing hunger and malnutrition in the developing world and particularly in Asia and Africa.
- It is also necessary to examine the role that technological innovations will play in promoting sustainable development and reducing environmental pressures. (e.g.. the earlier predictions that fossil fuels would be depleted in a few decades has not only

not come true, but innovations in extractive technologies have expanded the known reserves.)

- In terms of the negative impact authoritarian governments had on arresting development in Africa, the WDR team will determine if this historical factor can be incorporated into the study.
- The WDR has tried to point out that the lack of equity in the access to social and environmental assets is a leading cause of poverty in the developing world. On the other hand, the WDR advocates the search for common ground between the haves and have nots in order to promote peaceful rather than violent transformation.
- The WB continues to believe in the state as a key promoter of development, but understands that this role has changed from that of the primary promoter or “controller” of development, to a role as an “enabler” of development.
- The WDR will address the role that technological innovations play in development by showing ground-level examples where these innovations have worked.
- On transgenic technology and its impact on agriculture, the WDR team welcomes data from CSOs which it will try to incorporate into the Report.
- The issue of “brain drain” or migration of knowledge from South to North is indeed a complex and pressing problem. The WDR will not advocate any kind of anti-migration stance, but rather the need to find creative solutions and incentives of putting to good use the capacity of well educated people in developing countries.
- There is indeed no guarantee that FDI will come to developing countries even when structural and institutional changes are made to improve growth climate, but the probability is higher with these reforms.
- In the agricultural area, the dilemma is not farmer vs. peasant model, but rather a sustainable farming approach which takes into consideration the economic and social needs of farm families. The fact that so many impoverished farmers live in fragile ecosystems cannot be ignored and the ultimate solution to improve their livelihoods will invariably involve subsistence approaches which don’t necessarily involve increasing productivity.
- Regarding the market-based agrarian reform approach adopted by the WB in Brazil and several other countries, there has been some controversy regarding the appropriateness and sustainability of the program. In the case of Brazil, while several leading civil society organizations have criticized the approach for undermining the “expropriation-based” model and not being sustained, growing evidence demonstrates that the market-based approach streamlines and speeds up the agrarian reform process. Recently the confederation of rural workers (CONTAG) with 25 million members joined the Brazilian Government in designing a follow-up land credit program.
- The WDR will need to be reduced by nearly a third (down from 270 to 200 pages) and the cuts will be made primarily in reducing redundancies amongst the chapters and tightening up the language.

In closing, Zmarak thanked the participants for their thoughtful and useful comments and questions. He noted that since the Report is still being drafted and edited, data and examples illustrating the many points made during the VC were quite welcome and that the research team would do its utmost to incorporate them into the Report.

ANNEX I

Video Conference on 2003/ WDR

(17 April 2002)

LIST OF PARTICIPANTS

Belgium

1. Isabelle Hoferlin, Co-ordinator, Social Alert
2. Rachell Jones, External Affairs officer, the World Bank

Nigeria

3. F.C. Obikaonu, Economic Policy Unit, Central Bank of Nigeria
4. Tonipre Apiribo, Representative of the Bayelsa State Government
5. Dr. Olaniyi, Department of Economics, University of Abuja
6. Restituta Igube, Department of Sociology, University of Abuja
7. Etim Imisim, Development Editor, ThisDay
8. Dahiru G. Ali, National Economic Reconstruction Fund
9. Udenta Udenta, Institute of Peace and Conflict Resolution
10. Okello Oculi, Private Consultant
11. C. D. Ghali, Budget Office, Federal Ministry of Finance
12. Charles Abani, ActionAid
13. Wole Daini, CISC GHAN
14. Amina Ibrahim, NGO
15. Tunji Olaopa, Federal Ministry of Education and National Coordinator Education Sector Analysis of the Bank
16. Dan Nweze, Peace and Development Desk of International Committee for Peace in Africa (INCOPA)

South Africa

17. John Kilani, Safety Health and Environment Development
18. Martin Kellerman, Non-Commercial section, South African Bureau of Standards
19. Ros Thomas, SADC Secretariat
20. Martin De Wit, CSIR
21. Berenice Lue-Marais, Africa Business Development, Council for Scientific and Industrial Research
22. Patric Matlou, Department of Environmental Affairs and Tourism
23. Alwyn Coetzee, Southeastern Africa section, Development Bank of Southern Africa
24. Hillmare Schulze, DBSA
25. D. Naidoo, Manager, Environmental Affairs

26. Coleen Vogel, School of Geography, Archeology and Environment, WITS University

United Kingdom

27. Alex Wilks, Bretton Woods Project
28. Helen Foakes, World Vision
29. Marieke Huysentruyt, Development Economics PhD research student at London School of Economics