Remarks at the Opening Ceremony of the Second Mediterranean Development Forum

by
James D. Wolfensohn
President
The World Bank Group

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Your Royal Highness, distinguished guests, ladies and gentlemen. May I especially acknowledge Ali Belhaj who has done such a remarkable job in being the leader of our partners and in organizing this forum. I have an opportunity, quite frequently, to address audiences around the world on the issues that face the World Bank. But it is rare that I have a chance in a particular area of the world, to meet with such a cross section of the community to discuss the issues which face us. The issues which unite us are really very simple. There are concerns with social justice, a concern with democracy, a concern with the rights of our people, and the future of our people. Everyone in this room is here because he or she cares about the social issues. We are here because we want to see our countries develop and our regions develop, in a way that gives opportunities to the people who live within our borders.

We at the World Bank are very proud to be able to participate in this endeavor, in many parts of the world. And we know very well that we cannot do it alone. Some fifty years ago, after World War II, the World Bank was established to assist a war torn world and we were able to be a little bit dogmatic. We at The Monetary Fund had all the money and so we got accustomed to the habit of trying to dictate to some countries what would be best for them. Fortunately, I think we have gotten over that sense of self assurance as we have moved into the question of dealing with the issues of poverty and development around the world. We have a challenge. In a world of 5.7 billion people, we at the Bank deal with three billion people who live under two dollars a day and a billion three hundred million people who live under one dollar a day. A billion and half of those people don't have clean water, and in this region of the world, you know full well the impact of not having clean water, an impact on the lives of families, an impact on the opportunities for women and girls, a destructive impact on the lives of our people. We are concerned with the issues of health and we are concerned with the issues of education. We have concluded in our institution, that we cannot do this alone, and we have come to a four-way partnership around the world.

The first of our partners, is of course, the other international body, the institutions of the United Nations, some of whom are represented here by lateral institutions and donor governments. We are united in trying to provide knowledge and resources. But that group cannot do it alone.

We've also learned that its necessary in order to have growth, which is a prerequisite to human development, that we must be partners with
business, with the private sector internationally, although that has grown enormously. To give you an idea, seven years ago, foreign investment in developing countries was thirty billion dollars a year and the loans from institutions like the World Bank was 60 billion dollars a year, which means that the official institutions were twice the size. Today, the official institutions are around forty-five billion and the private sector overseas investment is two hundred and sixty billion. So from being half the size, it's now five to six times the size, and for every dollar invested from overseas, four or five dollars are invested locally. So the private sector is not a gloss, its not an institutional group that we can forget, its a group that is central to the activities of development.

So I am proud to see here many friends from the business sector, who recognize that business doesn't have any alternative than to be part of society and the people who are here know that for there businesses to flourish and for there countries to flourish this partnership must be real and true.

And we have a third sector which comes with democracy and freedom, and it is that element which we are proud, so proud, is developing in this region, which is the growth of civil society. It is hard to have civil society in a dictatorial state. When I visit a dictatorial state there are no non-governmental organizations that I meet, because they are perceived to be the opposition. There is no freedom, there is no transparency, there is no opportunity for contribution. And so we are proud that there is a growing group in this area that represent the people, that represent civil society in its truest form, who take on causes. I might say many of them are critical of my own organization, but that's constructive. We have a constructive dialog. I don't think many of them now think that I get up every morning to see how I can ruin the world. I hope they think that I and my colleagues get up trying to do the right thing. But sometimes we get it wrong, and civil society is there to keep us true, to keep us honest, to keep us marching down the path.

And then of course the fourth critical element, and indeed the leading element, is the elective government in the countries in which we work and they are principal clients. Indeed I may say, I work for them, because, it is the countries of the world that own the World Bank. So we come to this with a global belief, that participation of the sectors of society that I have outlined is crucial to the process. You cannot have development without that partnership. And in every region the balance is different. I am very proud that we are doing this in Morocco, where his majesty has shown extraordinary leadership in terms of balancing the sectors of society, in terms of allowing a freedom of expression, in terms of the appointment of a government that has varied views, in terms of a singular commitment in his August 20th speech to the rights of every individual Moroccan. That is a wind of change. It is a remarkable position, and we should all learn from this decision of his majesty within this region to bring about the social contract that so many of us know will lead to peace, stability and justice in our countries.

The issue of social justice is not an option. If you don't have social equity, if you don't give people an opportunity at a time when there is
available communication on everything that is going on, when there is education, when there is opportunity, it leads to social and political unrest. It may take a little longer, it may take a little less longer, but the movement is clear, the movement that speaks to each one of us, in terms of having a social agenda which gives opportunities to all our children. This is what unites us. And we believe that by bringing this group together, your organizers, and as his royal highness mentioned, the organization his been done, not by the Bank, but by ten groups from the region, distinguished in there academic insights and in there backgrounds. That this regional group can bring together the experience and the knowledge and the drive that will bring about peace and change. That is why I am here, its why my colleagues and I are so supportive of this initiative and why we at the Bank are committed to assisting this group and a larger group if it emerges, in the endeavors that they have. This should not be just one meeting and in meeting with some of our colleagues and friends earlier, we will be discussing how we keep an ongoing process between now and the next meeting that we have in plenary session.

To make great statements here and to forget them in the next eighteen months, doesn't help much. Peace and opportunity and economic advantage to the broadest number of people comes with work everyday, it comes with the sharing of knowledge, it comes with the sharing of experience, and it comes with a human commitment to make the lives of all of our people better and to give our children the opportunities that they deserve.

We are committed to be with you, we are proud of the association with you. We thank his Royal Highness and the government of Morocco for the support that they have given, but most of all, we look forward to the discussion that we will have with you in the coming days, so that we can share experiences and together build a better world.