The Santiago Consensus — From Vision to Reality

by
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Santiago, April 19, 1998

Your Excellency President Frei
Your Excellencies Presidents and Prime Ministers
Fellow Heads of International Institutions
Distinguished Ministers

Let me first thank you all, and especially our host, for the opportunity you have given me, on behalf of the World Bank, to participate in this truly historic event.

Over the course of the many months of intensive preparation and discussions that led up to this Summit, a new consensus on economic and social policy in this hemisphere has been taking shape. And with your own work here, you have placed the capstone in the arch. This new consensus is one based on recognition of the paramount importance of what I called a few months ago in Hong Kong "The Challenge of Inclusion" — the challenge of ensuring that economic progress can become a reality in the lives of all the people of this region, especially the tens of millions who until now been very largely left behind.

You have made a number of crucial commitments on the economic and financial side. One stands out: your agreement to translate the visionary promise made at Miami, to build a new model of Open Regionalism, into a concrete and detailed blueprint for attaining that goal.

But your new consensus goes beyond economics and finance. It recognizes that persistence with economic reforms, though essential, is not in itself enough. You are contributing today a new vision of the need to make the social dimension of development integral to your map for the years ahead. Not just for the next three years but for a decade and more, you are embracing the centrality of decent, modern and relevant education for all; good health care; the rights of women and indigenous groups; the right to justice and the right to live in safe societies ruled by democratically-determined laws.
Today, surely, it is time to retire once and for all that tired old phrase of the so-called Washington Consensus. Today, you are giving your people a new vision — the Santiago Consensus.

Let me now speak very specifically about the commitment of the World Bank to support you and your efforts to make the Santiago Consensus a reality.

I will talk about financial resources in a moment. But first I want to talk about something more powerful still — the resource of global knowledge. The Bank’s worldwide operations have long given us a unique opportunity to draw the lessons of development experience around the globe — what works, what doesn’t. But for years, this knowledge was largely concentrated in the memories of our own staff and a small community of development practitioners. Now we are determined to harness the incredible power of new information technologies, and a new spirit of openness and partnership, to make knowledge of global best-practice in development accessible to all. We are already engaged in building the internal architecture of a "Knowledge Bank". We are starting to open-up access, and by the year 2000 we intend the clearing house of knowledge to have achieved comprehensive coverage and to be fully open to the world outside the Bank. This has already started, but we plan to make it into your first port of call when you want information on development experience.

I am not speaking of a one-way flow of knowledge, in which gurus in Washington presume to lecture the rest of the world. The "Knowledge Bank" will be a learning Bank, which forms partnerships with other agencies and groups, both official and non-governmental and private, so that all can learn from each others’ areas of strength. We are already forming these partnerships, and I look forward to many of them being in this hemisphere, both at the national level, and with our friends in the hemispheric multilaterals including IDB, OAS, CEPAL, and PAHO.

Returning more directly to the theme of the Santiago Consensus, the Bank of the future will be committed to pulling its weight in translating this consensus into reality at both the national and the regional level. Let me speak first about the regional dimension. Already, since Miami and Santa Cruz, we have been working with you and the hemispheric multilaterals to help you develop regional strategies in a number of fields: work with ministers of finance on financial integration; work stemming from Santa Cruz on sustainable cities, which was submitted to you here through the OAS; work with IDB and other partners to support the Ministers of Education in preparing the central component of the draft Plan of Action.

We are ready to do a lot more in this area. From July, we are tripling our budget for regional policy studies and conferences. Specifically in the area of education, I am inviting your Ministers of Education and Finance to come together with experts on educational reform, business leaders and others to discuss, on June 5, what will be needed to bring your very bold targets for educational progress to fruition. We are also ready, again in partnership with our hemispheric colleagues, to offer support from our own staff resources and experience to the work of your Summit Implementation Review Group, the SIRG, in monitoring and reporting
to you the progress achieved in meeting the goals you set here in Santiago.

At the same time, a very large part of what needs to be done will take place primarily at the national level. In each of your own societies, you will be called upon to build and sustain a social consensus that is both broad and deep, and also long-term in nature, to nurture the growth of the seeds of change you are sowing here today. At the national level, too, we are ready to do more. Over the past three years, a little over $10 billion of our lending in the Region of Latin America and the Caribbean — lending which in total amounted to $15 billion — has been directed to the broad areas of concern you have defined in your Plan of Action: education, governance, regional integration and infrastructure development, and the assault upon poverty and discrimination.

Today, I am challenging my colleagues, and proposing to you, a goal of raising this support for your own chosen priorities, as set out in the Plan of Action, to $20 billion over the three years until this group meets again. We will set out to increase our lending for education from $2 billion to at least $3 billion. We will plan to increase our lending for the attack upon poverty and discrimination from $3.5 billion to $5.5 billion or more. In the areas of governance and institution building, which in some cases are relatively new areas of engagement for the Bank, as for many of your countries, we will increase lending from $700 million to more than $2.0 billion. Finally, we expect to increase our lending for economic integration and free trade, including infrastructure, from $4.5 billion to around $9.0 billion.

We will expect to be held accountable not only for the quantitative aspects of our work, but also for quality and results, just as you have said that you will hold yourselves accountable for the commitments you are making here today.

Transforming the Americas, in the way you are setting out to do, is a very great challenge. It will call on each of us to give of his or her very best.

But nothing less would be worthy of those we are all, in the end, here to serve.