

Local Action In A Globalizing Economy - Important Roles for Mayors and
City Administrations

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Mr. Chairman, Mr. Minister of State, and Mr. Mayor, ladies and gentlemen. Let me say, first of all, how very happy I am to be with you today and to say how sorry I am that it is my medium of a videoconference rather than being with you personally, for, indeed, the subject that you're addressing today is a subject that is very dear to my heart and very dear to the hearts of many of my colleagues here in the World Bank Group.

As we look at the demographics of our world and as we look at the concentration of people, it becomes very clear that increased emphasis must be given to management and provision of services at a local level. We are facing a population increase of 2 billion people over the next 25 years, moving us from 6 billion to 8 billion. We also know that in that same period of time, 2 billion people will move to cities and towns.

This changes very significantly the way in which we as an international development agency work, and it changes, of course, very significantly the way in which democratic groups come together to manage themselves. No longer is management done from some central government. It is distributed through states and through cities and through towns. And we ourselves are trying to adapt to the new conditions and to set up programs in which we can be helpful to those city administrators who have this very heavy responsibility.

I pay very great tribute to you in VNG who, for so many years, since 1912, have brought together the cities and towns in your own country to share experiences and to build together the ways in which you can deliver services in an effective way. We are very grateful to you and to your government for the attention that you are giving to municipal international cooperation so that we can work with you in years ahead to try and strengthen the local units which deliver services to the citizens.

We ourselves at the Bank have, as you know, a prime responsibility to deal with central governments. Indeed, under our charter, we work directly with central governments. But more and more, we're finding that those central governments are ready and anxious to see us work with states and with cities in terms of programs that we're engaged with.

We ourselves have set up a remarkable program, The Cities Alliance, in which the Netherlands is a very active participant, in which we're addressing such questions as Cities Without Slums, a program where over the next 20 years we want to take 100 million slum dwellers and improve their lives. We're also working on city development strategies in more than 50 cities at this time, and we're seeking to achieve our objectives not just by sharing our experience, but by setting up horizontal connections of the type that you have pioneered in your own country.

Quite recently, I was in Monterrey, Mexico, where every Saturday morning we are running courses for 1,500 mayors of cities and towns throughout Latin America. We cover everything from preparing budgets to running the fire department, to dealing with water issues, to dealing with sewage issues. And the format is really very simple. A class is held, given by a professor in Spanish, with materials prepared by the Bank and the Monterrey Institute of Technology, and it is interactive through interactive video, through downloading, through television sets, through radio, and through Internet.

But the thing that is most important about this and which came through to me when I met with a number of the mayors is not so much the teaching itself, it is the coming together of a network of people who can communicate with each other with their ideas and with their questions on an ongoing basis. So someone midweek can be saying I'm having problems with my police cars or with my ambulances or with collecting sewage, and the next morning they've got 50, 60, or 100 answers from others throughout the network telling them what it is that they would do in that situation and offering help.

This rather simple idea is really expanding dramatically, and we have come to learn that, certainly from the World Bank's point of view, we have some experience, but the experience that is on the ground by practitioners, by people who face these problems every day, is the base element in building knowledge and in allowing people to develop their own skills and applications of that knowledge.

It's for that reason that we are enormously excited about this particular initiative, the coming together of the group that is within this church to discuss how it is that an international expansion can take place. I want you to know that, so far as the Bank is concerned, we are ready to stand behind you in every way that we can to work with you to seek to develop appropriate programs and an appropriate interchange of ideas and experience that can benefit those in the developing world. We, of course, are especially interested in the developing world because that is our function. And we have 4.8 billion people out of the global population of 6 billion who are, if you like, our clients.

What is fascinating is that in the next 25 years this next 2 billion people will go nearly entirely to the developing world. All but 50 million will, in fact, be added to the number that we have to service. So in 25 years, we will have roughly 6.8 billion people out of a population of 8 billion who will be part of the development communities. And, clearly, within that group there will be major agglomerations of people that will come to urban areas.

This challenge is a very serious one, but if we face it correctly, we can make the cities a source of intellectual activity and vitality and opportunity that can meet the needs of citizens. We have to keep the cities open and well serviced. We have to give opportunity. We have to give freedom of mobility and of trade. And we need to create the supporting services that will allow people to flourish and allow their children to grow with proper education and health.

These are all much more easily talked about than done. As we look at the future, we look at 500 cities of a million people or more, and maybe as many as 10,000 cities with 100,000 or more. These problems cannot be met just by the Bank nor, indeed, by the managements of cities and towns on their own. There is a need for all of us to go together and to learn together. There is a need for lateral associations that can bring together the experience of those who have had the experience to those who are learning and seeking to develop.

We ourselves have a couple of new projects which we're testing: the relationship between Hai Phong and Seattle and another between Montreal and several West African cities. These initiatives are not something new. You will have heard of twin cities very often in the past. But for us they have a new focus, a focus that is geared to the issues of poverty and to development, an issue that is geared to giving help and assistance to those in development from those who have already seen the development period and have emerged into fully functioning and effective local governments.

This challenge that you're addressing today is not just another mechanical challenge. It's not just another organization. I truly believe that what you are doing can make a huge difference in terms of the outlook for poverty in our world. And the outlook for poverty is really the outlook for peace. If we don't address the issues of equity and justice, we will have no peace in any of our cities, not in those in Holland and not in those in the developing world.

So I join you in something that I regard as an exceedingly important endeavor, one that can take your knowledge and experience and make it available to those who need the knowledge and experience for development.

I thank you for allowing me to participate with you today, and I can assure you that I and my colleagues at the World Bank will be always ready to be of assistance and to work at your side.