Speech by World Bank Group President Jim Yong Kim: Preparing for Peace and Prosperity: Steps Ahead for the Arab World

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World Bank Group President Jim Yong Kim
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As Prepared for Delivery

Your excellency, members of Parliament, faculty, students, friends,

I would like to thank you for your gracious invitation and for bringing me together with the future, and by that I mean the aspiring students from different universities in the audience. It is you who are called upon today to take your country forward.

I’m here with what I hope will be a message of measured hope and optimism, to share a vision for a path forward, to a just and sustainable future in the Middle East and North Africa.

I know that it is extraordinarily difficult to feel optimism in the shadow of the catastrophe unfolding in Syria. The scale is larger than anything you may have seen in your lives so far. It is larger than anything most of us have witnessed. Millions are refugees in their own land. Millions have sought refuge in neighboring countries: Turkey, Jordan, Iraq, Egypt, and most of all Lebanon.

But let me take you back to 70 years ago, to 1944, while the guns were still firing during World War II.
It was difficult to envision peace at that moment – Europe was experiencing a scale of human tragedy that dimmed the hopes of Europeans the same age as you. But then, in the small town of Bretton Woods, New Hampshire, in the United States, a group of allies met for 22 days and began to plan for the day when peace would come. They created the International Monetary Fund and the International Bank for Reconstruction and Development, which today is part of the World Bank Group. These institutions would help finance the reconstruction of Europe and the rehabilitation of its economies.

The World Bank’s articles of agreement, written then, remain relevant today, especially to this audience. Article number one says that the purpose of the World Bank is, and I quote: “to assist in the reconstruction and development of territories of members by facilitating the investment of capital for productive purposes, including the restoration of economies destroyed or disrupted by war, the reconversion of productive facilities to peacetime needs and the encouragement of the development of productive facilities and resources in less developed countries.” End quote.

It’s important for us to remember that Europe’s economic output in 1951 was 35 percent higher than before the war.

We know that it’s possible to build back better, even after the most devastating conflicts.

A little more than a half-century ago, Korea, my birthplace, was emerging from a civil war and outsiders were calling it a basket case. But today, Korea is one of the great success stories in the world.

Today can be the 1944 moment for Syria and for the entire Arab world.

Today must be the day that the international community, led by Arab leaders, begins preparing for peace and economic opportunities in Syria and lays the groundwork for a more prosperous future for all people in this region.

The Middle East and North Africa Region is at a crossroads. In one future scenario, the political crises, violent conflict and deteriorating economic conditions of the last three years could deepen and possibly spread to neighboring countries.

But there’s another scenario -- the region could build on the political opening of the Arab transitions, address long-standing problems of exclusion, mobilize an international effort to end the searing conflicts in Libya, Iraq and Syria, and realize its potential for sustained growth. The World Bank’s strategy in this region is squarely aimed at that second scenario.
– a way forward that is supported by the principles of co-existence, tolerance, compromise, transparency, good governance, and inclusive economic growth.

No one knows how or when this war will end – and sadly there are no signs of it ending anytime soon. But this is exactly the right time for us to prepare for the peace that surely will come. The international community, including the World Bank Group, the United Nations, and key donors, must put together a plan that will help not only Syria rebuild, but also will help Lebanon, Jordan, Turkey, and Iraq recover from the massive spillover effects of the war.

There will be better days ahead for Syria, for Lebanon, and for the entire region. And while the situation remains dire across much of the region, there are at least some signs of hope.

Last January, the world watched the Middle East with anticipation while the members of the Tunisian constituent assembly voted in the new constitution that adopted the principles of pluralism and brought to successful fruition the first phase of the democratic transition.

In Yemen, the National Dialogue brought together the full range of political parties, civil society, women and young people. For the first time women had significant representation, at over 30 percent. None of this has been easy for Yemen, but their commitment to dialogue over conflict is an inspiration for us all.

The region must take advantage of all its resources to build just and sustainable societies. One of its most valuable resources is the region’s 100 million young people.

Look, I know there are skeptics among you. The turbulence and uncertainty of the last three years and the persistently high unemployment rates, especially for women and young people, has generated pessimism about the region’s prospects.

Here in Lebanon, there’s been a frustrating lack of progress on energy and electricity reforms. At a regional youth debate we organized in Tunis earlier this year and a related event in Washington at our annual Spring Meetings, we heard disappointment in the changes that have been delivered so far. In an online poll before the Tunis debate, 71 percent felt that young people were worse off now than before the Arab Spring. Sami Boubakri, a young man from Tunisia, told us – and I quote - “there is more freedom, but the same misery.” Shatha al-Harazi, a young Yemeni activist who was a member of the
National Dialogue, questioned the commitment to reform. She said that Yemen already had a constitution but that it was kept locked in a closet – its laws ignored.

Indeed, enormous challenges exist. So what will it take to build on the optimism generated by the Arab Spring and make real progress?

First, *it will take* improving the quality of education. While great strides have been made in access to education, the quality of teaching has not kept up and far too many students graduate without the skills needed by the labor market. This is not a problem of investment. The average public investment in education across the region is above 5 percent of GDP. It is a problem of governance and accountability. Schools and universities, like all institutions, must respond to citizens and be held accountable for their educational outcomes. As a lifelong educator, I am making a personal commitment to you today to help build educational institutions in the region and improve the quality of education.

Second, *it will take* the rebuilding of trust between governments and citizens. Development is a partnership that requires a commitment to transparency on the part of governments, and well informed citizens to hold governments accountable.

Morocco’s new constitution has specific provisions that guarantee the right to information. The government has begun acting on this right by publishing a citizen’s budget, making information on public finances available in an accessible format.

In Tunisia, the civil society group, *al Bawsala*, live-tweeted the activities of the constituent assembly, which kept citizens informed about the drafting of the new constitution. It is our sincere hope that their constitution will never end up in a closet.

One of the ways to rebuild trust is through reforms designed to end the crony capitalism that has plagued this region and many regions of the world. In Tunisia, for instance, our analysis found that 20 percent of the countries profits were seized by the Ben-Ali family. The answer for countries in the region is to now level the playing field, erase the economic legacy of the past, and open competition that spurs inclusive growth.

Third, *it will take* helping women overcome the multiple legal and cultural constraints that have kept their labor force participation in the region at 29 percent -- the lowest in the world.
And linked to these efforts to improve education, build trust with citizens, and integrate more women into the workforce, we must also have an economic development plan that will link the capitals and the ports and build a regional economic powerhouse.

This vision may seem like a mirage in the desert, but in fact it is a real possibility waiting for people with conviction to make it happen.

This region is no different from any other. Peace, stability, growth and opportunities come when people and countries realize that they have a common interest in living, developing and thriving together, irrespective of national, ethnic or sectarian divisions.

In this region, integration is the key. And we, at the World Bank Group, have started by fostering integration within countries, beginning with a transport and logistics corridor in Iraq. This project is opening the way to more national integration and will create new opportunities for trade and economic development in a country that is deeply fragmented, with many forces seeking to pull it apart.

We are working as well on transport and trade integration between countries in the region, beyond national borders, such as linking the port of Basra, through Jordan, to the port of Aqaba through road infrastructure upgrades. These projects will open up a broader regional synergy agenda, bringing in the Gulf countries who themselves are becoming better connected through large road and rail projects. This integration also connects the Gulf with Turkey, Lebanon, and when the war ends, Syria. Such connectivity shows the potential for the Middle East to act as an essential bridge between east and west, a Middle East that is indeed open for business.

In such a revitalized Arab world, we must also face one of the region’s greatest challenges – climate change. Its impact is especially acute in this region. It threatens both lives and livelihoods. The region’s large coastal cities are at risk of rising sea levels.

At the heart of the issue is lack of water, and new scarcities due to the increasingly harsh impacts of climate change. Even before the Syrian conflict, a three-year drought forced 1.5 million people to migrate. The region has been adapting to climate change for thousands of years but the pace of change has now accelerated requiring new strategies and more urgent action. We must now include the impact of climate change in policymaking, in areas ranging from urban planning to agriculture.
Last year, the UN Secretary General Ban Ki-moon and I took two trips together to the Great Lakes and the Sahel regions of Africa. It was on one of those trips that the Secretary General made a simple and powerful statement. He said, “We cannot have development without peace, but we also cannot have peace without development.”

As the Secretary General knows, as all of you know, development and peace are inseparable. For Syria, and for Lebanon, Jordan, Turkey, and Iraq, this process of preparing for peace, jobs, and opportunities for the next generation will not be easy.

But this war will end. We must commit ourselves to seize the moment and prepare concrete plans for that day when Syria’s guns fall silent and when an internationally recognized government ensures peace and stability.

Then, without delay, the international community must help Syria. It also must further help its neighbors. We need to communicate this vision so that there is no doubt that the dividends from peace will be transformational, giving those involved in the conflict an incentive to end this madness.

You stand at the crossroads of the future of the Middle East and North Africa. For the young people here and throughout the Arab world – all 100 million of you -- your generation deserves a chance to grow up in a region that is focused on creating jobs, not on conflict, that is focused on inclusive growth, not on growth for just the elite, and is led by governments that invest in its people with strong education and health systems. This is the Middle East that must rise in the years ahead, making these years of ruin a distant memory and unleashing the vibrancy of a region that will, at long last, be at peace.

Let me close with verses by Abu El Kacem El Chebbi, which relates to taking hold of your destiny. And since I believe that some of you may have memorized this in your early days in school, please feel free to say it along with me:

Itha echaabou yawmane arada al hayat[1]

Fa la boudda ane yastajeeba al kadar

Wa la boudda li el layli an yanjali

Wa la boudda li el kaydi an yankassir

Shukran Jazeelan - Thank you very much.
[1] If the people one day have the will to live
So destiny must and shall answer
and so the night must and shall fade away
and so the chains must and shall tear.