

THE WORLD BANK GROUP ARCHIVES

PUBLIC DISCLOSURE AUTHORIZED

Folder Title: Wieczorowski, Robert E. - Articles and Speeches (1971) - 1v

Folder ID: 1654926

Fonds: Records of Office of External Affairs (WB IBRD/IDA EXT)

Digitized: February 28, 2014

To cite materials from this archival folder, please follow the following format:
[Descriptive name of item], [Folder Title], Folder ID [Folder ID], World Bank Group Archives, Washington, D.C., United States.

The records in this folder were created or received by The World Bank in the course of its business.

The records that were created by the staff of The World Bank are subject to the Bank's copyright.

Please refer to <http://www.worldbank.org/terms-of-use-earchives> for full copyright terms of use and disclaimers.



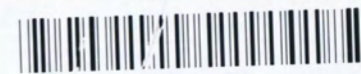
THE WORLD BANK
Washington, D.C.

© 2012 International Bank for Reconstruction and Development / International Development Association or
The World Bank
1818 H Street NW
Washington DC 20433
Telephone: 202-473-1000
Internet: www.worldbank.org

PUBLIC DISCLOSURE AUTHORIZED

WIECZOROWSKI, ROBERT E. - ARTICLES and SPEECHES (1971)

The World Bank Group
Archives



1654926

A1992-007 Other #: 19

212064B

Wieczorowski, Robert E. - Articles and Speeches (1971) - 1v

DECLASSIFIED
WBG Archives

WIECZOROWSKI

Speech given by U.S. Executive Director Robert E. Wiczorowski before
The American Institute of Architects - CEC, March 4, 1971. (P. Riddleberger)

THE MULTILATERAL GENERATION

The family of man has entered a new era in international development
.....the multilateral generation.

President Nixon sounded that theme clearly for the United States
in his Foreign Policy message on February 25

"To be effective, full sharing of responsibility for
development must be multilateral and worldwide. It must
link the industrialized and the lower income countries in a
network of cooperation. This is fundamental to our new approach
to foreign assistance."

The close of the first generation of modern development was marked
by the publication of numerous reports prepared by distinguished statesmen
and economists who addressed the question: What have we accomplished and
where should we go from here?

Without exception they concluded that the demand for development
called for a greater volume of activity and that the best means was through
a multilateral approach.

The nations

The nations of the world have responded in a wide variety of complementary ways. An increasing flow of aid now passes through the multilateral institutions, both the global ones I represent and regional organizations, like the Inter-American and Asian Development Banks. Growing wealth in Europe and Japan has permitted a substantial increase in the resources of all of these, and we can look for continued growth in these sources of funds.

Another multilateral approach is the consortium of countries who pool the assets of their national aid programs in a coordinated effort to assist a specific country. This format offers many advantages to the developing country as well as to the donors. It offers a valuable instrument for integrating bilateral aid programs. It can be expected that there will be a need for some form of bilateral programs for a number of years to come, and the trend toward multilateral assistance in no way runs counter to this expectation.

Whatever we may feel in this country, the prime political issue throughout the world is economic and social development. In the next decade

success

success or failure on this issue will dictate the rise and fall of governments. It would be hard to overstate the sense of commitment or urgency which permeates the developing nations.

How does President Nixon interpret development needs and what role does he see for the United States? Let me again quote the President:

"Our new approach to providing this development assistance is based on recognition of major historical changes in the world. First of all, many lower income countries are today ready and able to assume the primary responsibility for articulating their own development. They are eager to do so; in fact, they demand the recognition of their right to do so. Secondly, while the United States remains the largest single contributor to international development, the other industrial nations of the world together now extend more assistance than we do. Thirdly, international institutions.....such as the World Bank Group and the regional development banks.....are now capable of fusing the efforts of all countries into a true multilateral partnership for development."

I believe

I believe that the President must be commended for his articulation of this new development philosophy. We can also be encouraged by the steps toward implementation he has already taken.

The United States is a member of several development organizations which are expanding. There is a need for wide congressional support. Already the members of Congress are taking an increased interest. I am certain that greater congressional concern and willingness to cooperate on the part of the international organizations will insure efficient operations and greater benefits to all partners in development.

The visits you have planned with your representatives are most important. Dialogue is necessary. Your insights and experience will be deeply appreciated. These elected officials^{will} need statesmanship and bold vision when called upon for their legislative approval.

How will

How will this generation unfold? Probably not serenely.

The shocks of passing from one culture to another are great. We in the developed world will also sense the anguish of this passage. It fills the literature of the developing lands. These lines are from Southeast

Asia:

" they know they are poor
industry is only a mark of
of the satiated,
and the rubber tree is no factory,
and they don't fix the price.
when you are poor
you can't borrow from the poor. "

These concerns aren't unique. They are the nostalgic wake of change. Even as we change to meet today's conditions, there are those who recall earlier days. I suspect that even within your ranks the trend to more complex organizations often seems less appealing than the sentiment to "go it alone."

It has been said that civilization is an architecture of responses. What we must respond to today is a crisis where the economic

gap between rich and poor is persistent and ever widening. We must get off the economic treadmill, where any statistical growth is eaten up by a doubling of the world's population, by massive undernourishment, and by intolerable levels of unemployment.

What amount of funds will we need and how will we combine to accomplish development? Rather than catalogue the long list of material shortfalls in the developing countries, I'd like to direct your thoughts to two massive generalizations. I caution you that these are at best gross estimates and hope you will concentrate on the magnitudes rather than the numbers. Can you imagine what funds might be necessary to raise the per capita income in the developing nations to \$1,000 per annum?

To do it in 20 years would call for an annual growth rate of about 12% and a capital requirement of almost \$300 billion per year.

To do the job in 50 years, if population continues to grow at between 2-3% a year, will not cost even more. For a growth rate of about 6% there would be a capital requirement of about \$175 billion yearly. That is a rough idea of the cost to reach \$1,000 per capita. The present per capita income in the U. S. exceeds \$4,000. Imagine the relative years, growth

rate, and cost that would demand.

Before I shift to my second point it might be useful to remind you that the most quoted goal for external development funding is 1% of Gross National Product. At the moment the GNP of the donor nations is about \$2 trillion. One per cent of that would produce an external flow of \$20 billion. As things stand it appears unlikely to me that we can simply buy the development we want. However, we should bring another factor into consideration. Unemployment and underemployment have reached staggering levels in the developing world. It is possible that one billion man hours are under-utilized each day. At a moderate wage, this might be defined as \$100 billion of lost productive capacity each year.

The traditional projects...the power plant, highways, bridges... now must also assist in the development of institutional and human resources. New Project areas are drawing increased attention and funding. These include agriculture, urban development, education, family planning and, most recently, pollution control.

To my mind the ingredient we must have is the capacity to apply leverage to our small funds. Our great potential human contribution

must rely on new techniques which will capitalize on the opportunity to operate in a multinational and multilateral framework with the best possible technology.

How do we make the best use of the capital that is so scarce as compared to the staggering need. The answer is optimum use of technology.. this means good design, sound engineering, and effective management. These are qualities which we in America possess in abundance. These are things that we are eminently qualified to offer the world.

This is the challenge we face. If we succeed, we will have created world market of unbelievable size, in the process we will forge the major links for "A Working Peace System" which others have predicted, and we will have improved the opportunities for billions of people.

But before we get too far ahead there's some work to be done to insure a beneficial participation by the United States and by you as architects and engineers.

From some corners there is a tendency to prefer the smaller, but competitively insulated, enterprise within a domestic cocoon. Some completely ignore the potentials abroad. Others are reluctant to venture where the competition is international. My observation is that those who

compete aggressively do well.

Some of you feel professional restrictions which impede seeking to bring your talents where they are urgently needed. This can be particularly troublesome where your customs aren't shared internationally.

On occasion I have heard that we Americans lack empathy but still the willingness to team up with our developing country counterparts is on the increase. This is welcome. Americans are also showing a greater ability to adapt to different foreign conditions, This is required.

Yet there are great areas of the world where our participation is minimal.

For a sample of

For a sample of over 300 power project contracts, U.S. firms bid on only 25% -- of which they won 23%. Of the total number of bids received, less than 7% came from U.S. firms. In addition, over 90% of these bids were for contracts in the Western Hemisphere -- a traditional market for the U.S. But, as you are all well aware the World Bank is financing major power projects elsewhere. This concentration on traditional markets may also be the case in the many other types of projects which are financed by the international institutions.

Over the past 25 years, the multilateral institutions, by their very nature, have tended to bring increased standardization and efficiency to the conduct of international business. I and my counterparts in the other international banks are always open to suggestions on how we can improve our activities. Let me assure that my office is always open to you.

For over a year I have been familiarizing myself with the practices and procedures of the World Bank Group. This has involved some very searching questions on Bank Group policies. I would like to take this occasion to publicly applaud the professional dedication of the Bank Staff. Let me

assure you

assure you that they too are open to new ideas and ^{to} ~~of~~ re-examination of old ones.

In the three major regional banks, there is a total of approximately 2200 professional employees. Each year, these banks must depend heavily on the services of outside consultants. In World Bank financed projects alone, more than \$100 million is spent on outside consultants. There is, therefore, considerable opportunity for professional men with your qualifications to influence the shape and character ~~and~~ economic development in today's world.

Within our government there is a strong desire to give you the support you need for successful participation. Better information, willingness to consider new techniques, new and expanded programs, special support for large projects, and eventually, I hope, we will announce a one-stop service to increase the efficiency of your trips to Washington.

International literacy, jobs for a billion people, new cities, transportation links across Africa, East Pakistan, and development of the Mekong are a few of the challenges ahead. All of this to be done in the scope of a world of free societies.

Some lines

Some lines from Ambiguous Adventure, a Senegalese novel, set a goal and a standard for this development. "Civilization is an architecture of responses. Its perfection, like that of any dwelling house, is measured by the comfort man feels in it, by the added portion of liberty it procures for him".