



Interview with Dr. Jim Yong Kim
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[FOUNDATIONS CAN HELP US TO COME UP WITH INNOVATIVE SOLUTIONS TO VARIOUS PROBLEMS – CLIMATE-SMART AGRICULTURE, HAVING RENEWABLE ENERGY, FINANCING RENEWABLE ENERGY FOR EVERYONE, CITIZEN ENGAGEMENT. THERE ARE SO MANY THINGS THAT WE HAVE TO DO SIMULTANEOUSLY IN ORDER TO RESPOND TO THE CLIMATE CHALLENGE THAT THERE'S NO QUESTION IN MY MIND THAT FOUNDATIONS HAVE A HUGE ROLE TO PLAY.

- DR. JIM YONG KIM]

In your view, what was the most significant outcome of the recent meeting of the Foundations Advisory Council?

I think the most important thing was that we were successful from the World Bank side in sending some very clear messages. The first was that we very much want to work with foundations; we are keen to develop partnerships that aren't just all singing 'Kumbaya' together, but actually to tackle real issues. The two that we talked about specifically were climate change and citizens' involvement in development projects.

There's no question that it is difficult to work with the World Bank. I've been part of civil society for a long time – I remember very well walking into the Bank and seeing this explosion of acronyms and codes, almost a secret language that seemed impenetrable. So the message that we wanted to send is that we really want to work with foundations and we're going to make it easier to do so.

What's important to you about working with foundations? Is it just the money they bring or are there other things that you value about those partnerships?

Let me give an example from my own personal history: back in the mid to late 1990s, we were tackling an epidemic of drug-resistant tuberculosis in Lima, Peru. We were the most marginal and outcast of the various [health] NGOs^[1] because at the time there was a very strong dogma in the global public health world that multi-drug-resistant tuberculosis was not something that was going to be on the agenda. George Soros had discovered an epidemic of drug-resistant TB in

Russia and, through the Open Society Institute, he gave us some critical early funding to tackle the issue.

Since then, drug-resistant TB has proved to be every bit the global concern that we had said when no one else was looking at it. Then later the Gates Foundation gave us a \$45 million grant to tackle the disease. Almost all of the work that was done in preparation for the current battle against that disease in Africa and throughout South-East Asia and in all areas of the former Soviet Union was funded by either the Open Society Institute or the Gates Foundation. So my own experience is that when everyone else is turning their attention away, when things are really difficult, great foundations have stepped in to provide seed funding for just the kinds of innovations that are critical to be able to tackle the problem. Bilateral funding agencies and organizations like ours are just much less well-equipped to make those kind of quick, out-of-the-box decisions. Work based on funding from foundations has frankly defined my career.

The most important thing is a willingness to think outside the box, often way, way, way outside the box – you couldn't even see the box from where we were. Yet here they were, coming in and providing support despite the fact that experts in the field were telling them not to do it. I think that the independence, the thoughtfulness, the innovation that's linked to resources is the key.

Do you see ways in which the World Bank group can work with foundations to address climate change? There's surely no other field where out-of-the-box thinking is more needed.

I think foundations are going to play a critical role in addressing climate change. First, I think there's a key role for them just in the communications aspect of it. Look at the tornados, the storms and the flooding that we've been having in the US over the past few weeks. At 0.8 degrees Celsius [warmer than pre-industrial average temperatures], the Earth is already fundamentally processing water differently, but I still don't think that the world has an understanding of what is happening to us.

I think the main problem in our approach so far is that it's been too piecemeal. What we found in the meeting was that foundations are all tackling different parts of the problem – some groups focus on mitigation, others are focused on adaptation – but in general we've not yet

had a plan for tackling climate change that was equal to the challenge. Foundations can help us to come up with innovative solutions to various problems – climate-smart agriculture, having renewable energy, financing renewable energy for everyone, citizen engagement. There are so many things that we have to do simultaneously in order to respond to the climate challenge that there's no question in my mind that foundations have a huge role to play.

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Was your sense from the meeting that foundations seem willing to take on this sort of role?

Many of them already are. Rockefeller was talking about their new initiative on sustainable cities; the Hewlett Foundation is focused on mitigation with the relaunch of ClimateWorks. There wasn't a group at the table who wasn't planning on doing at least something around the issue of climate change. The commitments are very deep – the groups in the room are committed to being evidence-based in their approach to their funding, and the evidence on the reality and the damage from climate change is absolutely crystal clear.

Do they seem willing to come together with the Bank and look for this more unified plan that you are talking about?

I don't know if it's unified so much as a plan equal to the challenge. What we pointed out was this is not going to happen unless, for example, we really get market forces helping us out. We need to have a stable price for carbon, whether that's in the form of a market or taxes. Foundations of course have an extremely important role to play in trying to move us in that direction. If we can find that stable price, market forces will kick in: people who are putting carbon into the ground will be rewarded and there will be a cost to putting carbon in the air. That will be the biggest victory. Another thing is removing fuel subsidies – this is another huge area of concern. It's difficult politically but all of us need to work on this.



Then there are the three things that we're working on very closely with foundations: climate-smart agriculture, sustainable energy and urbanization. [Photo shows Dr Kim shaking hands with Marco Ferroni from Syngenta at the Advisory Council meeting at the Bank in May; Syngenta is very interested in the topic of climate-smart agriculture.] All the different foundations are doing different things in those three areas and we reconfirmed our commitment to work more closely with each other to make real progress. The reason I separate the carbon markets and the fuel subsidies from those areas is that there are a lot of political constraints that will make it difficult to advance. But with agriculture, energy and cities, there are things we can do right now. We agreed that we would do everything we could to increase our collaboration around those three issues.

Are you optimistic that the response is going to be bold enough and soon enough to meet the challenge?

I am optimistic but I am also very much aware that in my role here at the World Bank Group I have to continue to pound the table and insist that people wake up to what's happening. I'll be in

London in a few weeks and we'll be launching our second Turn Down the Heat report in which we talk specifically about what a two degrees Celsius world will look like, which is far more dramatic than I think most people appreciate. I talk about climate change at every G20 finance ministers' meeting and I think it's safe to say that I'm still the only one who does. But it's really the G20 finance ministers who will solve this problem ultimately. So I'm going to keep doing what I can, and we really need the foundations to step up and do what they can too, both in the area of citizen education and engagement and also in the specific projects that they're taking on.

Talking about transparency and accountability and citizen engagement, are there ways for foundations and the Bank to work together on these issues?

It was under Jim Wolfensohn, who came in in 1995 at the height of the various protests against the World Bank Group, that our commitment to citizen engagement began, and it has been growing ever since. He opened up the Bank to civil society and we're doing even more of it. I also have to thank my predecessor Bob Zoellick who helped to bring about the Global Partnership for Social Accountability – we're working now with Open Society, Ford and the Aga Khan Foundation on this project. This is the first time that we've directly supported CSOs [civil society organizations] with grants and we're using our convening power to bring CSOs more directly into what we do.

I come from civil society – I participated in the Fifty Years Is Enough demonstrations against the World Bank Group. Now that I'm on the inside I realize that the World Bank has changed enormously over the last 20 to 25 years. I think as civil society becomes more engaged with the Bank they'll see that we've changed and we're going to make it easier for them to work with us.

Why is citizen engagement and civil society engagement important to the Bank? Is it for its own sake or is it to help with your other priorities like climate change and poverty eradication?

Without question it's important for climate change and ending extreme poverty. Just think about a specific project: in Uganda, we posted on the outside of every school the amount of money that was supposed to go to that school so that people could see it. And what we saw was a shift. Whereas before only 13 per cent of the money was getting to the school, it shifted to 80 per cent because citizen voices were putting pressure on governments and, more importantly, on the mid-level bureaucrats and politicians who were siphoning this money off.

We think that part of how we're going to judge the success of our projects in future will be based on direct citizen feedback. We're going to increase the extent to which citizen voices can affect our projects. We think direct citizen feedback is also going to help governments do their job; and it's going to keep the private sector honest. There's a huge role to play and we have to be one of the organizations that are leading in this area, because we have the best chance, I would say, of convincing governments to be open to that kind of feedback.

How are you going about getting all this direct citizen feedback? Is that something that's in the process of being developed?

As I described in the Uganda project, we're already doing it. Direct citizen feedback is also one of the topics in our change management process. We're trying to move from a culture that focuses on project preparation and approval by the board towards measuring impact and being able to make mid-course corrections based not only on feedback from governments and direct beneficiaries but also on feedback from civil society as a whole.

Going back to working with foundations, are there cultural differences that make these relationships challenging?

There certainly are cultural differences but it's imperative that we get better at working with foundations and other partners. We have this target at the Bank for ending poverty by 2030. The World Bank alone can't even get close to meeting that target, so it's not just foundations; it's everybody – other bilaterals, other multilateral development banks, etc. We must work together.

Do you see particular challenges with foundations?

One of the great things about being with the World Bank Group is that we are talking to a diverse, wide spectrum of people. I meet with the finance ministers of the G20 countries three or four times a year, and with the G7 and G8 finance ministers even more frequently. We talk to heads of state, to other multilateral development banks, to civil society organizations; we get to hear about, for example, climate change from many, many different perspectives. It's one of the great privileges of being in this role, but it means that I am always in the position of having to balance. We have to mitigate climate change and, on the other hand, African heads of state tell me that they desperately need energy just to keep from going back into conflict. Ellen Johnson Sirleaf [president of Liberia] told me 'we have 21 megawatts of installed capacity' – that's just a joke. Probably the city block you're working in, plus a few more, would use that much energy. Without energy, she can't attract private sector investment, and without private sector investment there are no jobs, and with no jobs there's the possibility that the country, after more than ten years of peace, will go back into conflict.

So I'm always going to be in a position of balancing sometimes disparate agendas and concerns, whereas foundations can sometimes very conveniently tackle a particular issue with great energy and look at only that issue. I don't mention this as a limitation – it's often what makes them so vibrant and able to make great changes – but that's always going to be the tension in any conversation I have with foundation leaders. I've got 188 member countries and I've got to balance the interests and concerns of as many as possible.

Do you think your target for eradicating poverty by 2030 is achievable?

I do. But we'll have to work really hard. If we don't get better, if growth doesn't pick up more than is expected, if we don't engage in aggressive efforts at social inclusion, we're going to get to about between 6 and 9 per cent. To get to 3 per cent^[2] we really do have to – as we've been saying – bend the arc of history downward. We've recently published a report that suggests that about 70 per cent of poverty eradication is due to economic growth and the other 30 per cent is based on redistributive policies – ways of ensuring that the poorest participate in that economic growth. So we've got to work on all the things that will ensure both that growth happens and that the poorest participate in it. If climate change accelerates and the droughts and floods get worse, we're never going to be able to reach the goal. So we have to tackle climate change. Without energy, there's no way that developing countries can grow, so we have to figure out how to provide energy in a sustainable way. All the things that I mentioned to you – urbanization, agriculture, etc – all are critical parts of getting to the kind of growth that we need to end poverty.

So for us that target really makes us focus. We're saying, 'if that's the goal, how do we have to change the way we do things? How do we have to change our structure? How do we have to change even just basic attitudes of World Bank staff members? What do we need to do to focus all our activities on actually achieving those targets?' Knowing that we have really clear bottom lines and that we've got to structure ourselves and our behaviour so that we can get there has been a very positive experience so far here at the World Bank Group.

1 Jim Yong Kim co-founded an organization called Partners In Health in 1987 and worked for it until 2003.

2 The Bank's stated goal is to reduce the number of people living on less than \$1.25 a day to no more than 3 per cent of the world's population by 2030.