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Reading 01

Transcripts taken from ADB's interview series titled Changing Asia



Kishore Mahbubani on The Asian Century: Changing Asia



Kishore Mahbubani is Dean of the Lee Kuan Yew School of Public Policy at the National University of Singapore. He's one of Asia's grand visionaries and believes the continent's global preeminence is just a matter of time as the dominance of the USA and Europe declines. He began by discussing how Asia can continue to grow and eventually lead the world this century despite the dangers that industrialization poses for the environment.

Transcript

Title: The Asian Century

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Kishore Mahbubani
Dean, Lee Kuan Yew School of Public Policy
National University of Singapore

I see the return of Asia has been unstoppable because clearly from the year 1 to the year 1820 the two largest economies in the world always those of China and India, and only in the last 200 years that Europe took off, North America took off. So if China and India become the largest economies in the world is the return to the natural place in history. But clearly the challenge they face is to grow and develop and still take care of the global environment. The challenge is to find a global agreement whereby the west, which as you know caused the first stock of green house gas emissions to invest on the industrial revolution will take the responsibility for the stock they've put up in the atmosphere and then China and India can also be taxed for the new flows of green house gas emissions that they are contributing to the planet. So, what we need is a global deal within the west and the emerging economies, if we are going to make sure our planet doesn't fry as a result of China and India and other Asian countries industrializing now.

Q: Given the majority of the world's poor live in Asia, what factors underpin your confidence that this century the continent will deliver better lives for all?

A: You see a great variety of models of development in Asia. As you know, China has become the factory of the world and India has become the back office of the world, Philippines is also trying to become the back office of the world. So, I think it's a mistake to think that there's one model that will fit all the Asian countries. The critical thing is that you will see as a result of development in Asia is the explosion of the Asian middle classes and to give you one statistic – in 2010, in all of Asia, the total size of Asian middle class was 500 million people but by 2020, which is only 6 years from now, that number is going to explode to 1.75 billion people, an increase of 3 ½ times in 10 years. And this means by the way, that the new demand for products is going to come from Asia. And that in itself will also fuel growth in Asia.

Q: What indicators are you using to demonstrate the rise of the middle classes that you believe will drive the continent's growth?

A: Growth of the middle class is happening and it's amazing how few people know that it is happening. And if you want a leading indicator, in 1990, India had zero cellphones, now there's close to a billion cellphones. In 1990, China had a few thousands cellphones now China's got 1.2 billion cellphones. And by the way, look at the sales of smartphones in Asia and how rapidly they're growing and that gives you an indication how Asian chemistry is changing dramatically. So, when people

talk of Asia they have this old map of this downtrodden, poor, poverty-stricken Asia that's not what's emerging in the new Asia.

Q: When do you predict Asia will overtake the USA and Europe and become a global economic leader?

A: What many people fail to understand is how far Asia has come in the last 30 years. And already, if I'll give you just one statistic, in 1980 the United States shared the global GNP in PPP terms and according to IMF statistics was 25% and China's share was only 2.2%. Come 2016 or 2017, United States share is going to decline to 17.6% and China is going to rise to 18%. Now believe me, we have never before in human history ever seen such a major transformation of a human condition as the way it is happening now. So, I think it's important to understand that you're dealing with a whole new Asia on the world's stage and that's what the world got to deal with.

Q: Should Asian nations be putting significant resources into education to underpin the growth you say is inevitable?

A: I certainly agree that the Asians should pay more attention to education but I'll give you the signs of the time – the world's leading institution that looks at progress and higher education is the Institute for International Education in New York and guess what, they're coming out with a book called 'Asia as the Next Higher Education Superpower', and they've asked to do the foreword for the book. And if you read the foreword, it's actually stunning how much Asia has invested in its universities, its institutions of higher education. But the most remarkable thing that most people haven't noticed is that Western education is clearly designed for the Western mind but when you combine the Western education with the Asian mind you get remarkable results and you find Asians outperforming Westerners in all leading universities.

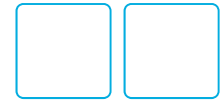
Q: Influential books such as 'Why Nations Fail' argue that unless there is governance reform leading to inclusive institutions, economic growth in Asia is unsustainable. Do you agree?

A: I think that books like 'Why Nations Fail' reflect a peculiar Western mental handicap. It's the incapability to understand a multi-civilizational world that is emerging, why you have many different kinds of political systems succeeding. There was this sort of curious Western belief as you know captured in Francis Fukuyama's famous phrase – at the end of history, at the end of cold war, there's only one destination for all societies in the world. There all supposed to become liberal democracy at the end of political evolution. Now, the good news is that even Francis Fukuyama has walked away from his thesis and acknowledged that maybe

he was wrong. And now, when it comes to institutions of governing, it is striking how the West, both European societies and American societies are struggling with governance challenges. And if you want models of good governance in the world, if you want societies that actually improving the living standards of the people you no longer go to Europe, you no longer go to America, you come to Asia.

Q: How critical is regional trade and integration in Asia's rise?

A: One little known fact that many people are not aware of is that intra-East Asian trade is much higher than intra-European trade and much higher than intra-North American trade. And as you know already cross-Pacific, trans-Pacific trade has far exceeded trans-Atlantic trade for a long time. And those who are looking for the growth of trade flows in the future are looking at East Asia and not into Europe or in America. And by 2030 or earlier, by the way, the total economic weight of Asia will be larger than Europe and America combined.



Shinji Asanuma on Recipes for Asian Development: Changing Asia



Professor Shinji Asanuma of Hitotsubashi University has decades of experience as an international economist and financial advisor to many developing Asian nations. He's the co-author, with Professor Hirohisa Kohama of the University of Shizuoka, of the recent book, *Journeys toward Development: Narratives on Strategy and Policy*. Professor Asanuma began by discussing the factors that led to rapid and sustained growth among some of Asia's established economies.

Transcript

Title: Recipes for Asian Development

Description: Professor Shinji Asanuma of Hitotsubashi University has decades of experience as an international economist and financial advisor to many developing Asian nations. He's the co-author, with Professor Hirohisa Kohama of the University of Shizuoka, of the recent book, Journeys toward Development: Narratives on Strategy and Policy. Professor Asanuma began

by discussing the factors that led to rapid and sustained growth among some of Asia's established economies.

Shinji Asanuma

Professor of Asian Public Policy Program

School of International and Public Policy

Hitotsubashi University, Japan

Q: What are the factors that led to rapid and sustained growth among some of Asia's established economies?

A: External environment is one. Look at in Japan, Korea and so forth, without the US market opening up at that time and US giving technology, these countries wouldn't have taken off in the way they did. And likewise you know, all other countries which came after Japan, Korea, Taiwan put the needs as they were presented and took them and so forth. And then the second element there, is the commitment on the part of the leadership and then the technocracy as I said, without that kind of commitment one really can't get the economy going. Look at Korea, during Syngman Rhee regime which preceded Park Chung-hee regime, nothing was going, Korea was a basket case. And then the Park Chung-hee came in and turned the country to a developmental state, which showed the kind of commitment he had. And then the same goes for other countries too. And then, on top of that, they should have had the right strategy to take advantage of the opportunities and mitigated the problems of constraints. And each country has to find, as I said, it's a model, of course a model is made of various parts, which may be borrowed from elsewhere based on other countries' experiences.

Q: You mention the importance of leaders and technocrats in pushing development forward in Asia. Can you give a couple of recent examples from the region to support this?

A: For a long period, President Suharto, was there. I think that President Suharto learned a great deal from the mistakes made by the Sukarno regime. To begin with he had a total conviction that for him to stay in power for any length of time, he has to make efforts to improve the living conditions of Indonesians farmers, that was his belief. But he didn't know how to do it, he didn't have the means of achieving that sort of target. So, he handed it to so called technocrats, technocratic ministers, who he knew, who made their views known beforehand to President Suharto. And he said, ok, you guys, you design the whole economic policy, economic development strategy so in that way. Here is another example and even more sort of outstanding example maybe Singapore's Lee Kuan Yew and the leaders of People's Action Party, do you know what they did, after winning in this fight against more communist

leaning socialist over there what they did first was he tabled a number of labor market related laws basically he wanted it to have a kind of social compact to the population saying, look we'll improve your living conditions but don't make troubles by way of trade union activities, which would in the end will stifle the capital influence and the investments and all that. They constructed that social compact first and then went on to inviting of the national corporations to come into Singapore.

Q: Economic growth has been spectacular in Asia but very uneven, what's the best way of promoting equality in developing Asian countries?

A: There are 2 ways of handling that issue. In many South Asian countries, the government went about it by subsidizing commodities, consumption commodities by the poor, the rice price, in case of farmers – fertilizer, and all that. And then, the kind of subsidy culture sat in there, that's one way of doing it. The other way of doing it, is to look at some other country's experience and say, look, probably that's not an efficient way of doing it. It's institutionalizing some sort of safety net systems. For example, in the case of power once again, one should establish clearly this notion of lifeline for the poor, which has to be provided almost free. But then the cost of recovery has to be done from other side and in that way one can rationalize quite a bit all of these subsidies which was provided.

Q: Given you wide experience of development over many decades and in many countries, can you point to a successful model that you would recommend for developing Asian economies?

A: I strongly believe that each country has to really try to find its own model. Its own model in the sense that you can borrow parts from other countries, talking about subsidy for example the Asian countries can learn a lot from what Mexicans did and the Brazilians did, by way of PROGRESA and by way of the Bolsa Familia, all these direct cash transfer programs - conditional or unconditional, and in exchange for that one can sort of cut down on the general commodity subsidies. These things you can sort of learn from other countries' experiences and make a part of your model but model you have to build yourself.



Raghunath Maskelakar on Value for Many through Inclusive Innovation: Changing Asia



Raghunath Maskelakar, President of the Global Research Alliance, discusses how inclusive innovation focusing on "affordable excellence" will turn out to be a game changer in the 21st century, enabling the delivery of high quality, sustainable, and affordable products and services in emerging and advanced economies alike. He begins by explaining how turning value for money into "value for many" is becoming mainstream in India.

Transcript

Title: From Value for Money to Value for Many

Description: Raghunath Maskelakar, President of the Global Research Alliance, discusses how inclusive innovation focusing on "affordable excellence" will turn out to be a game changer in the 21st century, enabling the delivery of high quality, sustainable, and affordable products and services in emerging and advanced economies alike. He begins by explaining how

turning value for money into "value for many" is becoming mainstream in India.

Raghunath Maskelakar

President

Global Research Alliance

Q: To what extent is your concept of “value for many” a reality in developing economies like India?

A: Look at mobiles for example, now, you see a rich woman and a girl from the slums standing at a traffic light both of them speaking on a mobile – access to wireless communication despite the income inequality. Look at what General Electric has done, ECG Machine is \$10,000, can I do it in \$600 and the Bangalore engineers did it for \$600. And that machine now, portable ECG machine is getting sold not only in India and China but around the world. Our \$30,000 ultrasound machine has been created for \$1500 by GE Healthcare in China. It is opening up the market all around the world. So, affordable excellence implied that the excellence in terms of the quality is at the same level as the high end products which is price tag.

Q: What kind of innovations have enabled products or services usually only available to the wealthy to be consumed by those on a low income?

A: Innovation, for example in this GE Healthcare product that we talked about, there's a very intrigant software that they built, which got integrated in a way were the cost got substantially reduced.

You have number of ways of delivering services for example. I'm going to give you an example – the contact surgery costs \$3000 question is can you do it in \$30, hundred times cheaper not 100%. Answer is yes. Who does it? Aravind Eye Care in India. How many patients do they serve every year? Close to 300,000. So, there's your scale. But then how do they do it? Can they deliver the same quality? Answer is yes. In fact I have a table where on the left hand side, Royal College of Optalmic Surgeons from UK and on the right hand side, we have Aravind Eye Care. Nine parameters post operative, can you believe it? In all nine, they beat them in terms of quality, so it is getting more from them. How did they do that? Technological innovation, creating the polymethacrylate lens for \$2 not \$100 but of same quality.

Now for these, every where you don't require highly skilled, very expensive surgeon. There are things that are routine, so if you change the work flow and then subdivide the skill level that are required for different operations, cost can get substantially lowered. System delivery innovation and organization, combination of these 4 delivers you the item.

Q: Central to providing value for many is scalability, what kind of political and social changes are needed in developing economies to extend “value for many” to the maximum number of people?

A: Technological innovation can take you thus far but if the products are affordable, accessible but not acceptable because of social and cultural milieu, they can't. And therefore, there you need to label the emphasis. Policies also matter, for example, the mobile example that I gave was a combination of policy innovation, technological innovation, and business model innovation. Policy level because the government said mobile, internet allowed let's not moved for more copper lines, landlines take a straight jump. Technological, a \$250 handset became \$25, and business model, because of the call rates if they were \$0.10, no body would dare use them because \$2 per day is your income, 20 minutes call and you're gone. But there were fraction of a cent per minute, Indian companies did that.. So, it's a combination of these 3, if one of these was missing you would have a hard time.

Q: Companies like Tata are bringing millions of affordable cars to low income families across Asia, but what of the environmental and health costs? Surely “value for many” has to be sustainable?

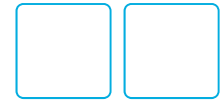
A: Very important, I think you're spot on there. And therefore we could use the public transport as a transport. But individuals have aspirations, so public transport will remain but your own personal transport will be the key. There's a study there in Tata Nano, by the way, comparing it with a two-wheeler, three-wheeler, and a big car. And you will find it is so fuel efficient, 25 kilometer per liter. So in terms of impact that it will have because of the growing population, growing aspirations, there will be people requiring cars. But there, the performance levels have to be taken to certain extent that there'll be no damage to the planet. Finally, it is people, planet, and profitability. Prosperity for all, not profitability for some.

Q: Looking forward, what kind of costly products and services can be easily extended to millions of low income communities in the 21st Century?

A: The future products will have to have 3 characteristics. People wouldn't buy only one quality, quality at any cost. Then one day we will say, “Oh my God what are doing for environment, ecology.” So we said, quality and sustainability. And now the people are saying, quality, sustainability, and affordability. So, the new products which will win will have a combination of these three. And if one of them is missing they can't win.

They could win several sectors. For example they could win in education sector, affordable, high quality education through distant learning by dropping the cost can affects hundreds of millions who are entering that space. Health, particularly health

delivery. You know across the value chain that is diagnostics, therapeutic, vaccines, and finally health delivery systems, you will see the cost will dropping particularly as new technological breakthroughs take place like mobile internet and so on, so forth. In communications we've already seen the dramatic change. In the same way financial services, for example, you will find that bank accounts, writing checks, huge transaction costs, etc. were things in the past. In fact, I asked somebody the other day, you were talking about future banking, is there a future for banking, because we are talking about money exchange by mobiles. Big coins for example that can influence the whole world. This intermediation is going to be the key so practically in all sectors you'll find there's some changes.



Yvo de Boer on Financing the Green Revolution: Changing Asia



Yvo de Boer, Director-General of the Global Green Growth Institute, suggests that multilateral development banks should work together with the private sector and the United Nations system to create a more attractive climate for green investments.

☒ Transcript

Title: Financing the Green Revolution

Description: Yvo de Boer, Director-General of the Global Green Growth Institute, suggests that multilateral development banks should work together with the private sector and the United Nations system to create a more attractive climate for green investments.

Yvo de Boer
Director-General
Global Green Growth Institute

Q: How is the Global Green Growth Institute promoting green growth in Asia and the Pacific?

A: GGGI's mission is to help developing countries and emerging economies find a different model of economic growth the green, a greener, model of economic growth. What that means varies from country to country depending on the nature of the country and the priorities that they have. So our country programs vary as well.

Let me give you two examples. One example that relates to reducing emission, one that relates to adapting to the impacts of climate change. In Indonesia, we've been recently doing work to understand better how biomass and renewable sources of energy could be an alternative to coal. How it can make sense to economic and social environmental point of view to choose biomass and coal rather than renewables? So there we are trying to combine the economic interest of the country to generate power cheaply with environmental concerns.

The other example is actually related to the Philippines. The Philippines economy is about 85% vulnerable to the impacts of climate change. We have worked with the government of the Philippines to develop a model to climate-proof towns, villages, local communities. And we are now replicating that model in 150 municipalities this year, 150 municipalities next year. So basically, we're trying to make the Philippine economy more resilient to the potential impacts of climate change.

Q: Should finance for sustainable development and climate finance be more closely integrated?

A: I think it is impossible to achieve sustainability without addressing climate change. In the sense that if we allow climate change to run out of control we will have sea level rise, extreme weather events, droughts in certain areas, flooding in other areas – so in other words, addressing climate change is an imperative for sustainable growth.

I am increasingly seeing countries beginning to address those two issues together beginning to look at how they potentially could impact by the consequence of climate change and protecting themselves against that, while at the same time looking at more sustainable sources of energy production for the future. So really, the answer lies in the synergy between addressing climate change on the one hand, and finding a more sustainable economic growth in the other.

Q: Given its current varied landscape, how can coherence be restored to the climate finance sector?

A: The landscape of climate finance is extremely complicated. And I wouldn't be

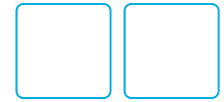
surprised if it gets more complicated rather than simpler. The challenge really is to find ways of blending different sources of finance in the future. We're still in the situation where many climate-friendly technologies are more expensive than conventional sources of technology. So how can we really mobilize innovative sources of finance to make cleaner solutions more viable in the market place – and there I think the multilateral development banks, through concessional finance by partnering with the other institutions, really holds a part to the critical answer to the solution to that area.

Q: How can multilateral development institutions, the UN system and the private sector be made to work together more effectively?

A: The MDBs, the UN system and the private sector of course all have different objectives. The private sector at the end of the day is accountable to shareholders to show a good return on investments. The United Nations development system is, obviously as the name implied, geared towards helping countries to develop stability, peace and a better system of governance. And the multilateral development banks are really the piece of the puzzle that helps the two to connect in the sense that the multilateral development banks, by working with the private sector, can help to reduce the cost of investing in greener areas. And at the same time, the multilateral development banks, by working together with the UN system, can help to improve governance lending conditions in developing countries. So really by combining the comparative advantage of the private sector, the multilateral development banks, and the UN system, a more holistic, a more attractive investment, climate for green investment can be created.

Q: In the future, what will be the major challenges for climate finance?

A: I think we tend, of the world of today, to look at financial challenges in a very black and white sense. In the sense of something profitable or is it profitable. In order to really begin to move towards a society that is more sustainable, we need also to move to a different definition of value. A definition of value that doesn't only appreciate the amount of money that is returned to shareholders but it also looks at what corporates are contributing to society as a whole. And the multilateral development banks, to my mind, have a critical role to play in terms of understanding that broader definition of value better in the future in working with the private sector to express their contribution to society in a more holistic way, and therefore for the private sector to make its way more easily into the financing sustainable development.



Hyun Oh-Seok on Knowledge for Development: Changing Asia



Hyun Oh-Seok of the Korea National Diplomatic Academy and Former Deputy Prime Minister discusses the importance of Korea's unique Knowledge Sharing Program (KSP) for economic and social progress in developing Asia.

☰ Transcript

Title: Knowledge for Development: the Korean Experience

Description: Hyun Oh-Seok of the Korea National Diplomatic Academy and Former Deputy Prime Minister discusses the importance of Korea's unique Knowledge Sharing Program (KSP) for economic and social progress in developing Asia.

**Hyun Oh-Seok
Korea National Diplomatic Academy
and Former Deputy Prime Minister**

Q: Why was the Knowledge Sharing Program introduced and what successful outcomes has it led to?

A: Knowledge has emerged as very effective and important element to a development process. And Korea has transformed from a recipient country to a donor country. And then many countries are just looking to Korean case because Korea has achieved high growth and small employment and more welfare in a very short period.

So Korean Government realized that now is the time to share the Korean experience and knowledge with other partner countries. So the Korea Knowledge Sharing Program, so called KSP, has been initiated in 2004. So this KSP is very knowledge-intensive development program to share Korean's experience with the other countries. There are three pillars of this KSP program: one is bilateral policy consultation, another one is joint consultation with international organization like ADB, and finally modularization of Korean experience. So this case prepare them, now I think it's well on and very popular among the partner countries as well as international organizations too.

So since 2004 up to last year, KSP provided, for more than 50 countries, with more than 700 policy advices, including general development policies and agriculture development policies and crisis management, for infrastructure, ICT, e-government. Etc. So I think KSP is one of the very exemplary projects for that development process.

Q: What kind of knowledge, data and research coming out of Korea is most useful for developing countries?

A: Korea is quite a peculiar country. Korea achieved both development and political democracy. So this lesson might be learned to other countries cases. And also the Korea case is not just a successful story. Korea also experienced some failure stories too including the Asian financial crisis and then the previous global financial crisis too. So, I think, considering these stories, I think many developing countries might draw some lessons and some ideas from Korea's experience. For example, the KSP include agriculture policies or employment policy or education policy...there are many, many kinds of policies that might be helpful to other countries. I fully understand there's no one size that fits all policies and it's quite obvious the policy advice should be country specific, but there's some commonality on the knowledge sharing. So in that sense, I think that KSP, I think should contribute to the development of other countries.

Q: Give two examples where knowledge sharing through KSP has led to poverty reduction in a developing country in Asia?

A: In the case of Viet Nam, this KSP provided Vietnamese a 5-year economic development plan. That serves as a kind of backbone of Vietnamese development strategies. Or you might refer, some kind of agriculture policies, it's quite famous, new village movement policies. It's some kind of rural development policy. This is some kind of typical cases, which might be learned from Korean experience. So I think that Korean development strategy, I think, initially started from setting the 5-year plans. But as the economies develop and some kind of socio-political situation has been changing, Korean policies has also been responding to the changing economic environments. So there might be some kind of crisis management so called reforms, and also, maybe quite applicable, these ideas might be used for other country case.

Q: What kind of support have you received from developing countries for the work of the Knowledge Sharing Program?

A: I think that there are three big reasons why the developing countries are very much affirmative to this Korea's KSP initiative. Number one is that this KSP is demand-driven. In other words, the KSP is based in the need and then tailored to countries demand – that's the first reason. Second reason, it's very much practical, policy-oriented. It's quite different from the theory-oriented, Westernized – I mean the policy suggestions – because as I mentioned already, the case of Korea... Korea is some kind of failure case too, so there is the good lesson. And the third one is very integrated and comprehensive approach, in the case of KSP. I think these three reasons might be, I think, some kind of good explanation why the partner countries are eager to adapt KSP.

Q: How was Knowledge Sharing Program worked successfully with the MDBs like ADB and is there a scope for greater collaboration?

A: I think that there are two big benefits to working with international organizations: One, in some cases, Korean experience or knowledge might be improved when we incorporate with the international organizations because international organizations might have a higher technical abilities or some kind of innovative delivery system, etc. Another thing is that international organizations like ADB might play the role of brokerage between demand from partner countries and think tanks of Korea. So that means, we have some kind of mutual benefit and then we can achieve synergy effect in working with international organizations.



Jeffrey Sachs on the new Sustainable Development Goals: Changing Asia



Economic development, social inclusion, and environmental sustainability are the three tenets underpinning the forthcoming post-2015 development agenda, a once in a generation opportunity to put mankind on the path to a sustainable growth model, says Jeffrey Sachs, Director of the Earth Institute.

☒ Transcript

Title: New Sustainable Development Goals

Description: Economic development, social inclusion, and environmental sustainability are the three tenets underpinning the forthcoming post-2015 development agenda, a once in a generation opportunity to put mankind on the path to a sustainable growth model, says Jeffrey Sachs, Director of the Earth Institute.

Jeffrey Sachs

Director of the Earth Institute

Q: What is the biggest development challenge facing Asia and the Pacific?

A: The Asia-Pacific region, which is the heart of world, you know it's 60% of the world's population. It's going to be the center of gravity of the world economy in the 21st century. Unlock the secret, more or less of the economic growth in the past 50 years and specially in the past quarter century. How to get children healthy and in school, learning enough so that they could become productive parts, members of the economy and of society, bringing in capital, and upgrading technology, putting all the pieces together. And this has led to tremendous economic development in the Asia-Pacific region of course varying in different parts of the region but still overall spectacular from a historical perspective.

But the growth has not been sustainable development because this region achieved great economic growth but at huge environmental cost and in ways that are not sustainable for the future. The Asia-Pacific region is emitting half of the world's greenhouse gases more or less and that's a lot, too much for a safe planet. And Asia-Pacific itself is incredibly vulnerable to rising sea levels, more extreme hydrometeorological disasters like tropical cyclones, heat waves, droughts. This is a mega diverse region in biodiversity and yet its subjected to massive deforestation, pollution and so on. All in all, Asia now needs in this generation to say, "Well, we understand economic growth but now we need the holistic framework that is economic growth widely shared narrowing rather than widening the income inequalities and with technologies and behavior and organization that is environmentally sustainable."

Now, I'm happy to say that there's recognition that is widespread that such an approach is needed, that's why we have Sustainable Development Goals. But what's also true and as an economist I can only underscore this, the momentum I call it the juggernaut of our current economic system is so powerful. People know what to do, what they're doing now but more that we could absolutely wreck the environment before we really get hold of the reins and turn this juggernaut in a safer direction. So we have to think very hard with these new Sustainable Development Goals, how they're to be achieved.

Q: How do you assess the achievements of the Millennium Development Goals?

A: I think the Millennium Development Goals achieved something quite hard to achieve and that is to put attention on the world's poorest people. The MDGs did achieve their core purpose, which was to direct attention, resources and policies to help the poorest of the poor and thereby bring down the poverty rate which has come down on line by more than half during the MDG period. The goal was to cut

the poverty rate by half from 1990 through 2015 that standard was achieved by 2010. We're going to have much more than they're having on extreme poverty and the Millennium Development Goals certainly made a contribution in that regard.

Q: Will the complexity of the new post-2015 agenda pose problems for developing countries?

A: The Sustainable Development Goals are indeed complex and they are universal. Rather than the fight against extreme poverty in low income countries this is a fight for sustainable development in all economies, rich and poor alike. When the 193 members states adopt the Sustainable Development Goals on September 25th, they're adopting those goals for their own countries.

Everywhere - the United States, European Union, Japan, the richest countries have to make major changes in their energy systems for example to avoid the catastrophe of the runaway human induced climate change. This is not a simple agenda, sustainable development means a holistic framework that embraces three goals, not only one: economic development, social inclusion, and environmental sustainability. For most countries, it's hard enough to achieve one of the three, but now the idea is to achieve three out of three by taking an integrated strategy.

I think the Sustainable Development Goals are important because they tell governments you have to think differently, you have to get organized differently, you need to make plans. Many governments these days don't make plans, their plan is to the next election perhaps but what the Sustainable Development Goals say you have to think ahead a generation – what's going to happen with the energy system, what's going to happen with the quality of education, what's going to happen with health care. And governments are going to have to get organized to pursue ambitious stretched goals for the year 2030.

Q: What should be done to promote the new post-2015 development agenda?

A: Back in 2001 then UN Secretary General, Kofi Annan, called me. He said, "Jeff, please come help with the new Millennium Development Goals." I was of course thrilled and honored and I immediately said yes, moved from Harvard to Columbia University to New York, to work at the university and also at the United Nations. As soon as I did, many people came up to me and said, "Millennium Development Goals, why are you focusing on that? Who cares? What difference could it make? Scrap, piece of paper, empty promises, photo op but nothing more than that."

There was a lot of doubt and fair bit of cynicism about what those goals could mean. Now, I don't think they became the fair of everyday discussion in most parts of the

world, although in a few places they did get a lot of discussion but in a lot of places they got some discussion and they help focus attention much more longevity than people guessed back in 2000, 2001. The cynics were wrong the Millennium Development Goals did resonate with the public once they heard about it. They liked the idea, we should fight poverty that's good for our souls and it's good for our society, it's good for our economy, it makes the world safer, and so people rallied.

Now with the Sustainable Development Goals, I think we're in even better shape because with the MDGs, they were just in the sense put to world leaders by Kofi Annan in 2000. They voted for them but there have been little preparation for them in way as a package. With the Sustainable Development Goals the decision was taken in June 2012 that Sustainable Development Goals should be adopted as of 2015. Indeed there have been 3 years of negotiation at the United Nations about what the goals should be? The list started in 100s, got down to 17, which is still a big number but at least a well defined list of Sustainable Development Goals right now. I think public awareness and education is at the essence. And since that need for public awareness is understood there are efforts around the world to make a jumpstart on that. Sustainable development is exciting, it's crucial but it's not easy.

It's pretty tricky to have all these objectives together and to be expected to meet not just one or two goals but 17 goals. We need new data systems, new ways of planning, new ways of thinking, new ways to diffuse best practices across countries. It's a great agenda. I think a lot of young people around the world are going to be excited to be a part of it. They're going to come up with a lot of breakthrough ideas.

Q: What will be ADB's role in the forthcoming Sustainable Development Goals?

A: ADB is the preeminent financial institution for the Asia-Pacific region so ADB should look at the Sustainable Development Goals and say, "Yes, this is our core responsibility to help our member states achieve those Sustainable Development Goals." ADB has a unique analytical capacity that has regional reach. It has data that it collects and been analyzing for decades of how the systems work. It convenes meeting and of course it gives loans on actual projects. So, ADB in my view should look at the Sustainable Development Goals and say, "Yes that defines the coming generation of purpose of the bank and also of our region. We need to achieve sustainable development in Asia." The Sustainable Development Goals now give us a pathway and we have to make sure our lending, our strategy, our national strategies, our regional strategies, our analytics are all geared towards success of sustainable development.



Tobit Cruz on a Youth NGO Committed to Environmental Improvement: Changing Asia



An NGO leader who believes Asia must save the environment, cleans and rehabilitates rivers and waterways in the Philippines. Now he's set to expand his vision to neighboring countries.

[-] Transcript

Title: Youth NGO Committed to Environmental Improvement

Description: An NGO leader who believes Asia must save the environment, cleans and rehabilitates rivers and waterways in the Philippines. Now he's set to expand his vision to neighboring countries.

25-year old, Tobit Cruz co-founded an organization which cleaned and rehabilitated a dying creek in the Philippine province of Rizal in 2009.

In 2013, the US Embassy to the Philippines awarded Tobit and other Asian youth USD1,000 to replicate rehabilitation effort in 4 other Southeast Asian countries.

Tobit Cruz**Youth NGO leader on Environmental Improvement**

Here in Taytay, we experience a lot of typhoons. We experienced Ondoy and many other stronger typhoons. It something that we just don't experienced here in our municipality but it's something that's becoming very common through the entire country. Natural disasters, big and heavy typhoons are certain to come in affecting millions of lives.

We realized that here in our municipality, we become heavily flooded because our rivers are blocked already or clogged with trashes or water lilies. And if don't rehabilitate our rivers or these waterways, we become very prone to flooding when big typhoons come. We started taking action in rehabilitating rivers. We started organizing people and the community. We started to bring in all the stakeholders of the community to talk about how we could together rehabilitate the river or waterways. The most important thing I think we were able to do was to orient the people alongside the creek to join us in our rehabilitation initiative. And then that's when we started taking action, that's when we started doing regular clean up drives. We use the technology called bokashi balls to filter the water, we planted bamboos and vertiver grasses to strengthen the soil alongside the creek and we continuously advocate people specially the young ones on how to protect and rehabilitate our waterways so that we can sustain the project even more. When we got featured in one of the new sites in the country a lot of government units and private organizations started to email us asking how we were able to do the rehabilitation here in Maningning creek and now it's being replicated in at least 22 cities and municipalities around the country and for other countries and ASEAN nations.

It is very important for young people to engage in initiatives that take care of the environment because climate change is already here. We are already experiencing it and if we don't take action right now our future is at stake. Our organizations motto is we have to dream big, start small and scale up. Our dream big is to eventually rehabilitate all the rivers and waterways in the country.

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Young People on their Biggest Challenges: Changing Asia



Young people from around the world attending the 3rd Asian Youth Forum at ADB's headquarters in Manila talk about the issues that most concern them in today's uncertain times.

[-] Transcript

Title: Young People on their Biggest Challenges

Description: Young people from around the world attending the 3rd Asian Youth Forum at ADB's headquarters in Manila talk about the issues that most concern them in today's uncertain times.

Nalimi Mittal

India

The biggest challenge that we have right now is getting a voice in the industry, in our schools, in the outside talking to adults, we are still treated like children.

Lukasz Teofilak**Poland**

The young people don't know about opportunities how to create their own company and this is really big issue because they are unemployed and this is a big problem. So, in my opinion the government and non-governmental organizations should focus on this issue.

Chathuri Gauathri Da Silva**Sri Lanka**

When it comes from education to employment most of the employment people they do look for qualifications and also for the knowledge of training. So they don't know how to put out what they have learned, so that is one main reason why most of the students, most of the people are unable to join for employment.

Marta Pater**Poland**

Young graduates, not only those who have no degree, have no jobs. The dimension of this is even bigger after the crisis of 2008, and still there seems to be no solution to this problem.

Saroj Dulal**Nepal**

Youth has many true things that he has to worry about at all. One is his education and the other is how he is going to sustain his education. And sometimes all the youth have time to do is whether they can only study or whether they can only work so it's very hard to balance between work and then study.

Laura Ferrer**Spain**

One of the main problems of the youth population is that the academic world is very different from the real world, from the job. For example, I am from Spain and although I have a good qualifications, I have a master's degree, I have a PhD, I have to go to Brussels in order to achieve a quality job because for example in Spain we don't have that kind of qualification.

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