

## **Remarks at a Public Lecture**

**organized by the  
Institute of Southeast Asian Studies  
And supported by the  
Canadian High Commission**

### ***“International Cooperation in an Emergent World”***

**Raffles Hotel, Singapore  
September 10, 2007**

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Thank you for your kind words, High Commissioner Virtue. And thank you, Ambassador Kesavapany, for the Institute of Southeast Asian Studies’ sponsorship of this event.

Invited guests, representatives of research councils in Southeast Asia, members of the Canadian Chamber of Commerce, and visitors from the general public: it is a delight for me to be back in Singapore.

Our organization, the International Development Research Centre, or IDRC, has been active in this region for 36 years from our regional office in Singapore. While I have been IDRC’s president for 10 years, not 36, I can imagine how IDRC’s first President, David Hopper, felt making the decision to establish our Southeast Asian office in Singapore back in 1971.

There was no Internet, no e-mail, not even facsimile communications. Back then, a long-distance call was something you made once or twice a year during the holiday season. What we now call “snail mail” and telex was how organizations had to communicate over long distances. Today’s 18-hour Singapore Airlines direct flight to Newark could not have been imagined in 1971. In fact, then, it took four days to fly from Singapore to Canada.

These were exciting times for our new organization. Singapore was the first of what became six regional offices in other far-flung places like New Delhi, Cairo,

Dakar (Senegal), Nairobi (Kenya), and Montevideo (Uruguay). And for 7 years, around the time of democratic transition in South Africa, we had an office in Johannesburg. Indeed, IDRC actually entered into a formal agreement with the Government of Singapore to create the conditions for our new presence here.

The Straits Times edition of December 11, 1971, announcing the opening of our office and the agreement with the Government of Singapore, reported as follows: "The Singapore office is the first regional office to be established by the IDRC. In choosing Singapore as the headquarters of the Asian office the IDRC pays tribute to the dynamic leadership of its Prime Minister Mr. Lee Kuan Yew and his Government which has enabled phenomenal growth to be achieved in both economic and social development during the past decade."

Despite Singapore's early dynamism, Singapore was obviously a far different place in 1971. Singapore was blessed with a strategic location next to the Malacca Straits but it had been a nation for less than a decade. In fact, Singapore was a recipient of foreign aid from organizations like the Canadian International Development Agency, just as it was from IDRC. Thirty-six years later, Singapore is the 22<sup>nd</sup> wealthiest country in the world. (And that doesn't include the asset of your fine weather, all year long, something we Canadians greatly envy, particularly in February.)

Don't get me wrong: this is in no way to suggest that foreign aid has very much to do with Singapore's transformation. On the contrary, what we see in Singapore are some of the elements that help us understand how international cooperation, the business we at IDRC are in, can bring about change, and, indeed, already has.

For those of you who don't know about us, IDRC is a Canadian Crown Corporation with an international Board of Governors, a budget of \$150 million, and 400 staff, 26 of whom work from here.

The Canadian Nobel Prize-winning economist Michael Spence recently wrote a series of articles in the Wall Street Journal. In one of them, he pointed out that, of all the countries in the world, only 11 have had what he referred to as "sustained, high economic growth." For the economists in the room, Dr. Spence calculated "high" economic growth as an average 7% growth of gross domestic product annually and "sustained" as being a time interval of at least 25 years.

So 11 countries, out of now more than 200 independent states, have had this positive experience of “sustained economic growth”. Of this very elite group of 11 countries, eight of them are in Southeast and East Asia.

In this region, the countries or territories this includes are China, Hong Kong, Indonesia, Korea, Malaysia, Taiwan, Thailand, and, of course, Singapore. There are only three countries outside this region that have had this special experience of “sustained, high economic growth”. These are Malta, Oman, and Botswana. There isn’t much of a regional trend or pattern among those three! But the pattern in Southeast and East Asia is unmistakable. There is something very special about the development dynamic here, something that the rest of the “emergent” world might benefit from knowing more about.

David Dollar, the World Bank economist who studies trends in incomes and poverty, reminds us that we live in an age that is unique. For the first time in the history of humankind, the number of poor people on the earth has actually declined. Using the arbitrary standard of poverty being life on less than \$1 a day, David Dollar argues, and I quote:

“The number of poor people in the world has declined significantly – by 375 million people since 1981 – the first such decline in history. The share of the developing world living on less than \$1 per day was cut in half since 1981.<sup>1</sup>”

Now to be very honest, I wouldn’t want to be living on the streets of any city in the world on, say, \$2 dollars a day. I’m pretty sure that I wouldn’t be feeling as though I had escaped the clutches of poverty. But nonetheless, that is the conventional standard for “measuring” absolute poverty and by that standard we have seen a change that is quite remarkable.

We are living in a very different world than the one in which the idea of an international monetary system and international development – the post-World War II Bretton Woods system – was established. Despite the great changes in wealth and poverty, despite the collapse of the Berlin Wall and the Soviet system, despite the incredible rise of Asia – and most especially this part of Asia – our language and vocabulary for speaking about the world remains hide-bound. The old images and stereotypes, if they ever made sense, make much less sense now.

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<sup>1</sup>Dollar, David. Globalization, Poverty, and Inequality since 1980. Working Paper 3333. <http://econdev.forumone.com/view.php?type=5&id=36107>

As the former US National Security Advisor, Brent Scowcroft, put it recently and was quoted in the Canadian news:

“the forces unleashed by globalization are as important to determining the shape of the coming age as industrialization was 200 years ago.”<sup>2</sup>

Singapore and its Southeast Asian neighbours are at the very heart of these forces for change.

Let me begin to try and suggest some of the recent drivers of change in international cooperation. First and foremost, international cooperation is no longer about “us” and “them”. In an increasingly smaller planet, where climate change affects everyone, it very much is about “us”. In Southeast Asia, land-clearing for agriculture in one country has come to create a new season, the “haze” season. Clearly this is an “us” problem that many of you are already working to resolve and with which IDRC-supported researchers have been involved for more than a decade.

And if we needed other reminders, the SARS epidemic and the threat of a major outbreak of Avian Influenza both go well beyond “us” and “them”. In this region, IDRC has financed a regional research network on Avian Influenza with participating research institutions from Thailand, Indonesia, Vietnam, Cambodia, and China, to build evidence-based policy research relating to the potential epidemic.

Globalization, as in the form of that non-stop flight from Singapore to Newark, means that disease, epidemics, and other health threats can also navigate great distances, and they can go in both directions! We now all have a stake in resolving these very common regional and global problems, and in working together to undertake research into these problems and share knowledge on them, so that changes in policy and practice may follow.

Thabo Mbeki, the President of South Africa, spoke at the G8 Summit held in Kananaskis, Canada, in 2002. That particular meeting was the first ever to which the club of “developed” wealthy nations invited African leaders. In his speech, President Mbeki argued that the days of the “donor” and the “recipient” were over. It was now about “partners” working together to solve problems together.

At IDRC, we have worked very hard to build partnerships through networks of researchers, including those from countries of very different economic

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<sup>2</sup> Crane. David. “*Globalization Institutions No Longer Reflect Reality*” Embassy Magazine. August 15, 2007

circumstances, to try to solve problems. For example, in Asia, we are now in the third generation of a network called PAN Localization. This network helps applied researchers develop the skills and the tools to create digital fonts in indigenous languages that don't use the Roman alphabet. The PAN Localization Network now includes researchers from Pakistan, India, Sri Lanka, Bangladesh, Bhutan, Laos, Nepal, and Cambodia.

The indigenous languages in which digital fonts have been created through PAN Localization include Urdu, Sinhalese, Nepali, Bangla, Dzongkha, Tibetan, and Khmer. Until very recently, in Cambodia, university students could not read digital documents, could not prepare term papers, in their own Khmer language. This barrier to the digital world for 12 million Cambodians no longer exists. Now Microsoft, and Open Source, software is being written in Khmer.

This network is based on a partnership model for the international cooperation work that IDRC does. In fact, we take this partnership model so seriously that, on becoming President, I created an entirely new division of our organization devoted to partnerships. As a consequence of this approach, an increasing proportion of the money we invest in applied researchers now comes from organizations like the Microsoft Corporation, the Gates and Hewlett Foundations, the UK Department for International Development, and the Canadian International Development Agency.

In Southeast Asia, especially, we see a need to re-invent and re-imagine how we undertake the work of international cooperation. To be honest, given the economic growth rates in this region, there are some international cooperation agencies that have folded their tents and departed because they don't see the need for continued involvement as a "donor". I believe that these decisions derive from the "rich" – "poor", "us" – "them" paradigm of international relationships.

At IDRC, we imagine a different response to this changed circumstance. Yes, the "donor-recipient" paradigm in this region is, thankfully, over. But our work in this region is far from finished. The experiences with successful – and some not-so-successful – development in Southeast Asia are still in their first generation. The knowledge that has been generated through this dynamic development process is new, very fresh, and very relevant to other parts of the world — places in the world that still have many miles to go before basic issues of health, education, sanitation, clean water, and access to food are thoroughly addressed.

Singapore is a good example of how a problem in your own backyard, and a locally fashioned solution, can assist in the development process in other emergent

countries. Singapore's "rain to drain" policy of water recycling, re-use, and purification was recently celebrated by a major international prize, the Stockholm Industry Award. The World Health Organization, recognizing Singapore's "emergent" excellence in this area, has entered into an agreement with Singapore's Public Utility Board to help bring Singapore's knowledge and expertise in this area to other "emergent" parts of the world. This first-generation development experience is a harbinger of many other forms of international cooperation that originate from the "emergent" experiences with development.

We think that three fundamental changes are beginning to take place in international cooperation that relate to the experiences of this very dynamic region. First, we are involved in the business of development. Development means building economic assets and fostering economic growth at the same time as addressing issues of poverty. Without economic growth, poverty won't go away. Economic growth is a necessary, but insufficient, condition for the reduction of poverty.

For example, this spring, IDRC and the Ministry of Science and Technology of the People's Republic of China, agreed on a series of applied policy research projects. The projects, at the cost of \$1 million, will help shed light on how the slower-growing and slower-innovating western provinces and territories of that dynamic country can participate more actively and successfully in China's growth. This policy research is squarely about the business of development in a country whose economic growth is changing, indeed has changed, the world's economic landscape.

This set of projects in China carries with it the second change in how we approach international cooperation in this region. IDRC and the Ministry of Science and Technology in the People's Republic of China are splitting the cost of this applied research. In the "emergent" world, the business of development still requires attention and investment. Increasingly, that investment is much more of a shared responsibility. As usual, Singapore is quick off the mark in this. Last year, it established the Singapore Cooperation Enterprise, or SCE, which will take what its public sector has learned about development and offer it to the developing world on a cost-recovery basis. This applies to all public sector reforms, from education to health to e-government and airports. Is that cost-recovery model the face of the future for international assistance?

The third major change is in the source and origin of development-related knowledge, experience, and applied research. We still believe that development policy should be based on evidence, not just intuition or the best-guess theory. In 1971, IDRC's first-ever "development" project in Singapore was based on this assumption. Let me quote to you again from the Straits Times of December 11<sup>th</sup> of that year:

"The first project of the IDRC in this region is the granting of fellowships to the Singapore Institute of Standards and Industrial Research (SISIR) to enable two senior officers to study industrial information activities at the Technical Information Service of the National Research Council of Canada, the Danish Technical Information Service in Copenhagen and the Netherlands Government Technical Service in the Hague. Upon their return they will assist in the establishment of a technical information service for industry within the SISIR."

This week in Singapore, IDRC is privileged to host a meeting of research councils from Thailand, the Philippines, Indonesia, Singapore, Vietnam, and Malaysia. We are involved in discussions with them on two issues. First, how do national priorities for research in development connect to regional priorities? Whether they be climate change, economic integration, migration policy, or common approaches to building entrepreneurship, is there a common space for the shared financing of applied research for development within the region? If so, how can we define it and how can IDRC contribute to it? Second, how can we become better at focusing on innovation, and the research that fuels it, at the so-called "bottom of the pyramid", where the poor, within our countries and regions, remain?

Thirty-six years later, IDRC doesn't have to finance connections of local researchers to institutions in Canada or the European Union in order to do this. Instead, we see our role as having a shared responsibility to help knowledge and research about development to be shared regionally, as well as with other parts of the emergent world.

And in fact, in this context, all the countries of the world are "emerging". From carbon credits to minimizing the risk of epidemic to understanding how we can all benefit from increased trade – these issues link us all very much more one with another.

Let me close by saying how delighted we are to have opened our very first regional office in Singapore some 36 years ago. As the world changes, so will Singapore and this dynamic region, and so will IDRC. We know that the development

challenges you have overcome have direct relevance in poorer regions of the world. Development experiences in Africa, the Americas, and other parts of Asia can serve as a guide to this region, as well. Through applied research and networking among our partners, we hope that we can “close the loop” on sharing that knowledge and building a better world together.

Thank you. And now over to Ambassador Kesavapany who has an announcement to make.