

Note for Record
May 2, 2014

By: Shoaib Sultan Khan
May 14, 2014

Subject: **Meeting with Vice President (VP), World Bank (WB)**

The meeting was arranged by Rachid Benmassaoud, Country Director World Bank, Pakistan on May 2, 2014 at the headquarters in Washington DC.

Mr. Philippe Le Houerou, Vice President (VP) South Asia Region, met me at his office. Rachid was the only other person present. The VP had been fully briefed about my work because he had three full-scape pages of notes on me in his hand.

I said to VP that the WB is supporting the largest poverty reduction programme in the world and this would not have happened if one of his predecessors Meiko Nishimizu, after visiting the Aga Khan Rural Support Programme (AKRSP) not asked me if this can be done in any other country in South Asia and on my suggestion to her to visit Andhra Pradesh (AP) in India, she visited Andhra in 1998 along with me and a few other officials of the Bank including Azmat Isa and spent five days in the villages and at the end of the visit, she declared to the officials of the Andhra State that she had seen “UNDP’s Miracle” and if the State wished to scale up the project, the WB would be willing to support. It was this support of the Bank which took the social mobilisation approach implemented under the UNDP supported South Asia Poverty Alleviation Programme(SAPAP) from 20 Mandals of the State to 300 Mandals initially and ultimately to the entire State comprising 1100 Mandals mobilizing over 11 million households with nearly 50 million population.

I informed the VP that the Bank not only supported South Asia Poverty Alleviation Programme (SAPAP) even prior to that when I was implementing AKRSP, the Operations Evaluation Division (OED) of the Bank made an exception and on the request of the Aga Khan Foundation (AKF) Geneva, accepted to assess the achievements of the programme despite the fact that the World Bank had not financially supported AKRSP. In the first assessment in 1986, after four years of AKRSP, the OED declared that the first four years of AKRSP are the missed four years of all rural development projects in the world, wherein blueprint took precedence over process approach followed by AKRSP. At the end of ten years of AKRSP, in their impact evaluation, OED declared that in real terms the income of the programme area where AKRSP worked, had been doubled. This was the reason why UNDP approached me to take lessons of AKRSP to South Asia in 1994, resulting in the launching of SAPAP and consequently with the World Bank support, Government of India Planning Commission in 2011, launching the National Rural Livelihoods Mission(NRLM) as part of the 12th Five Year Plan to benefit 70 million households on the pattern of Andhra approach in 14 States of India.

I urged VP that the WB should provide support to Pakistan also on similar lines as India. The VP observed that sometime we do succeed to do the right thing, despite the governments main interest and asking the Bank to support mega projects pertaining to infrastructure and similar big ventures. I assured him if the Bank puts its weight behind social mobilisation, Government of Pakistan would listen. I mentioned about my meeting with the Prime Minister in April and prior to it getting an email confirmation from Rachid that I could mention to PM that the Bank will be willing to support poverty reduction through a social mobilisation programme. The PM was pleased to see Rachid's email to me when I showed it to him indicating that the Bank was not averse to supporting social mobilisation as an impression had been given to PM that the Bank is strongly in favour of supporting Benazir Income Support Programme (BISP) only, as the most effective means of poverty reduction.

The VP asked me about the attitude of the provinces and I assured him that the Chief Ministers of KP, Baluchistan and Sindh and Imran Khan are fully supportive of the social mobilisation approach and even the CM Punjab gave me the same impression when I presented the concept to him, a few months ago but his government did not take it any further. Amongst donors, I informed him the critical support EU is giving to social mobilisation. The VP mentioned about DFID support and agreed to my assessment that currently they are more in supporting sectoral projects than a holistic poverty reduction programme as they used to do in the past.

Rachid endorsed my plea that BISP is not going to pull poor out of poverty as seen in the performance of BISP over the last five years of the previous regime which had spent Rs.165 billion (US\$ 2 billion) and yet the same recipients according to Chairman Enver Beg of BISP, are still on BISP payroll. On the contrary I have seen in India on a massive scale and in Pakistan also wherever resources are made available, the result of CIF methodology creating a sustainable income stream for the recipients within a year and doubled or tripled their income within five years graduating above the poverty line.

I mentioned to VP how in India, social mobilisation has helped communities, millions of households getting economically empowered and thereafter improving social indicators like education, health, nutrition, potable drinking water etc. The same has been the experience in Pakistan. In a recent countrywide survey of Education sector, the highest indicators achieved, were in Gilgit-Baltistan where AKRSP is working, where 99% of the girls are enrolled in the schools. In Pakistan organized communities have demonstrated how serious they are about holistic development including social sector and even peace and security concerns in militant areas.

I showed the VP the three-tier social mobilisation graph fostering Institutions of the People at grassroots, village and union level namely COs/VOs/LSOs. These institutions have proved key to sustainable development. I showed the footprint of Rural Support Programmes (RSPs) in Pakistan pointing out except for Gilgit-Baltistan and Chitral where it is 90%, in rest of the country although being present in 114 out of 132 districts and 6 agencies and Frontier Regions, yet the number of organized households is only between 15-30%. The ultimate aim of RSPs is to mobilise at least the entire households below poverty line, which according to BISP poverty survey, done by RSPN for over 78 million population, is 48% and another 20% above them who are likely to fall below poverty line if not supported. There being 5470 rural UCs with a population of nearly 18 million rural households, there is need to mobilize nearly 8-12 million households in a hierarchy of Institutions of the People namely CO/VO/LSO.

The VP fully endorsed the social mobilisation strategy for poverty reduction as his own experience in South America had shown. He assured me of his full support. He also enquired about urban poor and I explained that we need a different strategy to tackle the urban poverty and also briefly mentioned to him about NRSP's urban poverty alleviation programme (UPAP) what NRSP UPAP is doing and the approach developed by Orangi Pilot Project in Karachi.

The VP asked Rachid about empowerment of women and I informed him that in India it is only women who had been organized and now in Pakistan the CIF is being channeled through women at which the VP observed that this is splendid. It is like getting two birds with one programme.

Finally he asked me if I didn't mind he would like to ask a personal question as to how I came about doing all these things as he understands that I was now 80 years old. I corrected him that I was nearing 83 years of age. It all came about because of my meeting in 1959 a visionary and the greatest social scientist that I have come across who taught me not to try to reinvent the wheel all the time if I

aimed to help the poor masses. He advised to look at the experience of the world and would refer to Raiffeisen's principles of subsistence holders development and taught me how to implement these development principles. Remaining in government, I did not get the opportunity to fully implement those principles because you serve in posts with limited tenure. After taking early retirement from the government when I was offered an opportunity by His Highness the Aga Khan to initiate implementation of AKRSP and I lived in Gilgit for 12 years implementing Raiffeisen's principles of organisation, capital formation and human skills development, learnt through forty years tutelage under Dr. Akhter Hameed Khan, it reinforced my conviction in the potential and willingness of the poorest of the poor to unleash their potential to come out of poverty. This I experienced in all corners of Pakistan and in the entire state of Andhra Pradesh, in Amethi Constituency of UP and recently in Bodhgaya of Bihar State.

The VP mentioned about the comparison in terms of population between Pakistani Punjab and AP both having nearly 80 million populations. I mentioned to him how Meiko in late 1990s used to create competition between Chief Ministers Naido and Shahbaz telling them what the other was doing in his province/state.

I mentioned to VP how I used to tell Prof. Yunus and Sir Abed when they used to ask me what I was doing and I would say persuading governments to act like NGOs because my belief is that without government resources, it is not possible to have a countrywide programme of poverty reduction. The VP observed the achievements in Bangladesh are outstanding. I said these would have been spectacular if government resources would have been made available to them as you witness in case of India.

I beseeched VP to use his good offices and the weight of the World Bank to persuade Government of Pakistan to emulate Indian example. Rachid did it in India on behalf of the Bank as Country Director. He knows how to do it and the

Bank has an excellent channel through PPAF, under the able helmsmanship of Azmat Isa, to support social mobilisation package which includes fostering institutions of the people, community investment fund, vocational training for employment, health insurance for the poorest of the poor, agriculture and livestock interventions and critical infrastructure and process monitoring. It costs no more than US 300 thousand per rural union council over five years. The total cost in KP is around Rs. 25 billion, in Baluchistan around 16 billion, in Sind Rs27 billion and in Punjab approx. 83 billion. This is less than five percent of the total annual development plan of each province over a period of five years. It needs an investment of US\$300 million annually countrywide over next five years resulting in pulling out 7.7 million rural households from poverty and indirectly helping 6.1 million households above the poverty line preventing them from falling below the poverty line.

The VP promised that he is willing to say so to the government and advised Rachid it was timely to raise this in the steering committee to get it included in the Pakistan's support package. I thanked the VP profusely for the time and support and invited him to keep some time on his next visit to Pakistan for an interaction with the Institutions of the People to hear from the horse's mouths what their potential is and what they are doing and what they are willing to do. He promised to do so during his visit in June and asked Rachid to include it in his programme.