

Note for Record
February 3-9, 2016

Subject: **Visit to the World Bank and IFC Washington DC; Acumen Fund, New York and Boston University**

By: Shoaib Sultan Khan
February 29, 2016

It is a special privilege and of great pleasure to be invited to the World Bank which has supported my work beginning in late seventies when I was working as a UNICEF Social Development Consultant, resident in Handungama, in Mahaweli Ganga Project area of Sri Lanka made famous by McNamara, when on a visit to the project, asked a farmer if his income has increased. On getting an affirmative reply, the President of the World Bank asked how much was his income now and the response was "This is none of your business". Unlike International Consultant as I insisted on living in the area, I earned a full one page article in the Newsweek entitled "A Man named Khan" (appended). In Pakistan when I initiated the Aga Khan Rural Support Programme (AKRSP) at the behest of Aga Khan Foundation (AKF) Geneva in early eighties, it was Operations Evaluation Division ((OED) of the Bank which under Graham Donaldson, in its first assessment of AKRSP in 1986 opined that the first four years of AKRSP are the missed four years of all World Bank funded Rural Development Projects in the world where blue print took precedence over a process approach being followed by AKRSP. AKF had set up AKRSP with the twin objectives of doubling the income of the million people of the project area in ten years and developing a replicable model of rural development. The OED in their second assessment concluded that AKRSP in ten years had in real terms doubled the income of the million habitants of Gilgit, Baltistan and Chitral districts of Northern Pakistan.

In 1991 Prime Minister Premadasa of Sri Lanka persuaded SAARC heads of State to set up an Independent South Asia Poverty Alleviation Commission (ISAPAC) to recommend assault on poverty to eliminate it by 2002. The Commission in its overarching recommendation required all SAARC States to make Social Mobilisation as the centerpiece for poverty

alleviation strategies of governments. The recommendation was fully endorsed by the Dhaka SAARC Summit in 1993. In view of this acceptance at the highest political level, the World Bank convened a workshop at Annapolis to find ways and means to operationalize the Commission's recommendation. Being a member of the Commission, I was also invited to the workshop. Amongst the poverty alleviation projects visited by the Commission, AKRSP and its replication National Rural Support Programme (NRSP) in 1992, its CEO Dr. Rashid Bajwa is also here, had shown practical demonstrations of what the Commission had recommended. One Mr. Henning Karcher who had served as Assistant Resident Representative of UNDP in Pakistan and had seen my work at that time called Daudzai Project of Pakistan Academy for Rural Development (PARD), approached me at the workshop and asked if I would be willing to help implementing a Regional Programme of UNDP entitled South Asia Poverty Alleviation Programme (SAPAP) in all the South Asian States and in 1994 as Senior Adviser of SAPAP I started taking lessons learnt from AKRSP experience and implementing that in Demonstration Pilots in each of the 6 states. Bhutan was not part of SAPAP.

Vice President, WB Dr. Meiko Nishimizu was a frequent visitor to the Rural Support Programmes in Pakistan having been much impressed by AKRSP. In fact she even launched a Village Immersion Programme (VIP) requiring her Divisions Sector Managers to spend a few nights and days living in villages. One day she asked me if there is any other South Asian country where something on the lines of AKRSP is being implemented. On my response to visit India, where to my great delight and surprise, there was unreserved acceptance of the principles of rural development I was advocating. She accompanied me to Andhra Pradesh, where SAPAP had the demonstration pilot and spending a few days in the villages, on return to Hyderabad declared to the State officials that she had seen "UNDP's Miracle" and if the State asks to support the replication of SAPAP statewide, the Bank would be willing to do so. On return to Washington DC, she sent me an email as follows:

"I have just returned to Washington and did not want my time to pass on by before sending you a note of deep appreciation for making my dream visit to AP possible.

Every time I visit South Asia, I learn and grow as a professional. But the visit to India with you was extraordinary in many ways. I gained invaluable insights into foundations of poverty alleviation as an economist and a development banker. I feel I also grew a little wiser perhaps as a human being. That fire in my belly is definitely back again and so are the stars in my eyes. It was one of those trips, I wished never to end and felt as if I lived a thousand lives now that it has ended. I do not know how to thank you enough. Thank you all the same from the bottom of my heart and with my soul”.

With World Bank support, the State government took the 100,000 households benefited by SAPAP to over ten million households led entirely by rural women influencing Union Government to launch in 2011 probably the largest poverty reduction programme in the world under National Rural Livelihoods Mission (NRLM), as part of India’s 12th Five Year Plan, to reach 70 million households comprising 350 million rural poor.

Dr. John Wall, WB Country Director Pakistan was the biggest champion of my work in Pakistan, so much so that at 2004 Pakistan Development Forum, he publically offered support to Government of Pakistan, if a Social Mobilisation programme espoused by Shoaib Sultan Khan is adopted by Federal and Provincial Government, Meiko had already helped in establishing the Pakistan Poverty Alleviation Fund in 1999.

It is for these reasons, I have a special corner for the World Bank in my heart.

When I look back on nearly 63 years of my working life having achieved my childhood ambition of getting into the Administrative Service of Pakistan, I had no idea I will meet someone who would influence me to adopt another path. It was 1959, in the then East Pakistan (now Bangladesh), I met this sage and visionary, who also had been a member of the Indian Civil Service but resigned in less than ten years of service because he got obsessed to finding a solution to abject poverty, especially during the Bengal famine of early forties, all around the area he was incharge.

When I met him, he was engaged in setting up the Pakistan Academy for Rural Development at Comilla. He was persuaded by one of his erstwhile colleagues from ICS by challenging him to accept the assignment and in words of Akhter Hameed Khan (AHK) teasing him by saying “Akhter you are a fool but a good fool” so here is your opportunity to prove everyone wrong. Comilla Project is history. I need not repeat what an international reputation it gained. Prof. John Thomas of Kennedy School spent a few years with him in Comilla and many others who would bear testimony to the transformation that took place between 1960-70 decade. John also spent six months with me in 1974 at PARD Peshawar. When I visited my old subdivision after ten years in 1970, I could not believe what changes and improvements had been brought about in rural subdivision of Brahmanbaria.

As Director designate of the PARD Comilla, supported by USAID and Ford Foundation, AHK and the Academy Faculty was required in 1958 to spend one year at Michigan State University to learn the latest theories and practices of implementing rural development programmes. AHK writes in his book after studying all the relevant material he found that the models of subsistence holders development implemented in 19th century Europe especially by Raiffeisen in Germany were the most relevant for rural poor of South Asia. According to him, the Professors at Michigan were surprised that he was giving preference to old approaches against modern thinking but he admits that they did not stop him from research and experimentation and Raiffeisen’s principles of subsistence holders development of organizing the poor, requiring them to generate their own capital through savings because capital was power and thirdly upgrading their cooperative, managerial and productive human skills became the bedrock of the Comilla projects.

AHK taught me these principles of development, he found as precise as the law of gravity and whichever poverty projects disregarded this theory of development, the result was building like crooked walls. I followed these principles in letter and spirit in implementing Community Driven Development programmes, the new name given by the Bank to this theory.

Dr. Rashid Bajwa (RB) CEO NRSP and honorary Chairman NRSP Bank gave an excellent presentation on the progress and future plans of NRSP Bank and underscored the contribution of Social Mobilisation towards the achievements of the Bank. The IFC team expressed satisfaction at the progress of the Bank which from the day it was established has consistently shown growth and profit keeping its focus on serving the small holders and farmers in accordance with its core mission. RB's proposal regarding Branchless Banking also received positive feedback from IFC, which is 16% shareholder in the Bank.

We received a similar positive reaction from Executives of Acumen Fund, when RB made a presentation on the progress and achievements of NRSP Bank, in which the Fund has also taken 16% share. Prior to RB's presentation, I explained the over two decades of Social Mobilisation undertaken by NRSP in the areas NRSP Bank is operating and the critical role played by the framework of grassroots institutions i.e. COs, VO, LSOs in the success of the Bank.

The Fund is considering another investment in a for profit company, NRSP is planning to set up to ensure best prices to farmers of their produce by helping them to hold on to their produce in storage facilities made available to them and making credit available to them to tide over their monetary requirements till their produce fetches the right price. On a recent visit to the area, the founder of Acumen Fund, Jacqueline Novogratz, along with RB greatly appreciated the project.

I undertook the visit to Boston University, on the invitation of Dean Prof. Adil Najam (AN) (an ex-Vice Chancellor of LUMS). AN invited me to be a guest speaker at a dinner hosted by him at the University attended by over twenty academics from Pakistan, some with their spouses. I shared with them my experiences of nearly 63 years of working life, especially forty years of fostering institutions of the rural poor men and women under the tutelage of Dr. Akhter Hameed Khan from 1959 to 1999 beginning with Daudzai Project of Pakistan Academy for Rural Development in Peshawar and spanning work with UNICEF in Sri Lanka's Mahaweli Ganga Project, Aga Khan Foundation's Aga Khan Rural Support Programme and its seven replications along with Rural Support Programmes Network (RSPN) and UNDP funded South

Asia Poverty Alleviation Programme (SAPAP) and how SAPAP in India inspired by AKRSP, resulted in replication by the Andhra State Government covering 11 million rural households and influenced Union Government to launch National Rural Livelihoods Mission (NRLM) as part of the 12th Five Year Plan in 2011 aiming at reaching 70 million rural poor households comprising 350 million population. Currently there are 30 million households organised, from Kashmir to Kania Kumari including 11 million households organised in the State of Andhra Pradesh before launch of NRLM. The main factor in India has been total political commitment and support to the programme of Social Mobilisation since 1996.

In Pakistan, despite ad hoc, sporadic and lukewarm support by Federal and Provincial Governments, Rural Support Programmes (RSPs) have managed to mobilise over six million rural households. Hopefully with provincial government and European Union support, the Province of Sindh, in due course of time, may have over 3 million poor and vulnerable poor households, comprising 70% of the total rural households mobilised and empowered. Like India in Province of Sindh, women are in the lead role leading the community organisation.

The guests evinced keen interest in what I said and I am particularly grateful to AN for honouring me in this way.

*In a remote Asian Village, an unusual
"International Expert" keeps his feet
on the ground and sows the seeds of real progress*

NEWSWEEK/JANUARY 5, 1981

Varindra Tarzie Vittachi

OPINION

A MAN NAMED KHAN

I met a rare man the other day. His name is Khan and what gives him distinction is the fact that he is one "International Expert" on village development programs who actually lives in a village I have been in that village, a place miles from what city folk call Anywhere. There is no piped water in the village nor air conditioning, no electrification, not even a toe-powered pankah battling the hot breeze this way and that as was done in the days of the British raj.

Mr. Khan's speciality is that he is a generalist. He knows how to tie together the activities of the irrigation department, the education department, the health department and the public works department so that they help the people for whose benefit, presumably, such departments were established, since he shares the life style of the villagers and knows their local idiom, he has become credible. When he explains, why kitchen refuse turns the rain drains outside their houses into breeding places for the malaria mosquito, or how nursing mothers should—and can—have a balanced diet even if they are poor, and why it is better for their babies to be breast-fed despite the blandishments of "fashion" they believe him.

One result of all this is that the people of the village have begun to be involved and to understand the development process going on around them. The buzzword for it in the operational planning centres is "community participation". Where Mr. Khan lives, that phrase is no longer a piece of pious humbug mouthed by professional bureaucrats and alleged experts in made-to-major safari jackets, but a meaningful response to an understood need.

There are other men and women like Mr. Khan working in other villages on human development programmes, but there are still far too few. In the two remaining decades of this century, many more of these people will be needed if the grant goes of the world

community, such as “health for all by 2000” and “literacy for all by 2000” are going to be more than hollow slogans. Even to achieve the less ambitious goals of reducing hunger and eliminating the worst aspects of poverty, the elitist approach to development will have to change. It took two decades for people to realize that the system that was initially established was expensive and irrelevant. It often served as a sinecure for colonial officers left by the receding tide of imperialism. Often these ex-colonials marched off toward what they called modernism. They built dams and highways and hospitals in which the doctors practiced on people when they were already sick, instead of preventing illness through effective health programmes. The foreign experts—as well as their “local counterparts—lived in the city and believed that what was good for urban residents was good for those who lived in the villages.

The second set of “experts” came from a wider pool of technicians working for United Nations agencies. They too were mostly city gents bent on “transferring technology” from Europe and America to the developing world. The era of high dams and hydropower plants that loomed like indifferent giants over the heads of the villagers was followed by the era of overpasses and underpasses that became the new symbols of modern development. And still the Third World’s foreign debts grew while opportunities for a tolerable life for the rural people dwindled. The people trekked to the cities to find jobs. But the pilgrimage was too late; there were too few jobs to go around.

At the great development planning centre—all in metropolitan cities of the Industrial democracies—some belated lessons were being learned. The benefits of the transfer of technical assistance and money were not trickling down to the villages. As the experts had expected, social and economic distinctions separating the cities elite and the country gentry from the rural poor were powerful bearers, against an equitable distribution of development gains. “Top down” development strategies—one of those bureaucratic phrases that means less than meets the eye or ear—was found to be ineffective because without the willing and active participation of the people whose lives would be affected, no true social change could occur. At long last it had also become evident that if technical expertise was to be useful, it had to be directly relevant to the village.

This year's "World Development Report" of the World Bank enshrines these lessons. It says that efforts to improve people's lives must begin where the people are, that human beings are what development is all about, that the village community is the building block of national growth. That is indeed a tour de force from a body that has spent thirty years supplying money and experts to finance top-down development programmes. It is a document that has given legitimacy to the notion that villages are bankable even if they cannot yet sign a check.

They tell a story about the visit by Robert McNamara the World Bank President to a village in Asia. The area has been developing rapidly because now it has access to water that can be used for irrigating the crop lands. McNamara remarked to a farmer: "I hear you are becoming prosperous". The farmer replied yes, things were improving. "And what is your annual income now?" asked McNamara "None of your business", replied the farmer and walked away. That is the most heartening human-development story I have heard in many a year. But perhaps the best thing about it is that the person who tells the story is Robert McNamara himself. And this Asian village is the village in which Mr. Khan lives.