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JOURNALISM AND GOOD GOVERNANCE IN THE ASIA-PACIFIC REGION

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"Journalism and good governance in the Asia-Pacific Region"

Peter McCawley (*)

Ladies and gentlemen, colleagues, thank you for the opportunity to speak today. My main aim is to outline for you some of the plans that we have at the Asian Development Bank Institute to support the activities of journalists who are working to contribute to the development of the Asia-Pacific region.

The ADB Institute, based here in Tokyo, is a subsidiary of the Asian Development Bank which is headquartered in Manila. The Institute carries out research, and supports capacity building and training, to promote growth and development across the Asia-Pacific region. Our broadest goal is to support ADB achieve the vision, as ADB's President Chino often emphasizes, of "an Asian and Pacific region free of poverty."

Incidentally, President Chino will be in Tokyo next Monday to give a luncheon address at the National Press Club. He will talk about a range of development issues in Asia, including the current economic outlook, China's role, and challenges across the region.

Against this background, I'd like to take the opportunity today to talk about three main issues:

1. About the challenge of tackling poverty across the Asia-Pacific region;
2. About the role of the media in responding to this challenge;
3. And about some new plans that the ADB Institute has to support the media in developing countries in the region.

DEVELOPMENT AND POVERTY

As far as the challenge of tackling poverty across the region is concerned, we are all aware of the fact that there are hundreds of millions of very poor people across the Asia-Pacific region. The key facts -- many of which are truly shocking -- have been repeated many times by many people. However shocking though the facts are, it is hard to avoid the impression that -- perhaps understandably -- many people who hear about poverty in poor countries suffer from a kind of "poverty fatigue". They have heard about the problems so often -- and they have heard so much about the problems of poverty in rich countries as well -- that they are inclined to take the view that perhaps the sad truth is that little can really be done to eliminate widespread poverty in poor countries.

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This view is wrong for two reasons. It is wrong, firstly, because the problems of poverty in poor countries are very different to the problems of poverty in rich countries. And it is wrong, secondly, because it is just not true that little can be done to tackle widespread poverty in poor countries. In fact, there is a great deal that can be done to reduce poverty in the developing world. These are perhaps surprising assertions to make so let me say a little more about each of them.

In thinking about issues of global poverty, it is of central importance to understand that the phenomenon of poverty in the developing world is very different to the type of poverty we usually talk about in rich OECD countries. And because the type of poverty is different, then the responses needed are different as well.

In Western countries, deep and persistent poverty is not a widespread phenomenon. Rather, poverty is generally found in certain segments, or pockets, of society. This is usually localized or segmented poverty because it is found in certain groups which can be defined by region, by age, or by social group. In contrast, in many parts of Asia, mass poverty is the main economic problem. That is to say, in many countries in Asia, large parts of the population (sometimes over 40% or 50%, depending on the particular poverty line chosen) live in deep poverty. This type of poverty is, in a number of ways, very different to the type of poverty that exists in rich countries.

One main difference is that the phenomenon of mass poverty across a poor nation affects the society as a whole, and not just individuals or small groups. Thus the social externalities of mass poverty are an extremely important phenomenon and have far-reaching effects. As a result, poor societies affected by mass poverty often operate in quite different ways to rich societies where localized poverty is the problem. Examples of what I have in mind are the loss of production and the sheer waste which occurs when people are employed in dreadful working conditions, and the damage done by widespread insecurity and weak law.

Since the type of poverty differs greatly between rich and poor countries, so the appropriate response differs as well. In rich countries, well-targeted anti-poverty interventions are a sensible approach to segmented poverty. Targeted anti-poverty programs in rich countries are generally affordable, and the administrative capacities of agencies implementing these programs are generally reasonably effective. But these conditions rarely apply in developing countries so mass-based rather than targeted responses are the best antidote to poverty in poor countries. In other words, in most developing countries poverty is so widespread and so pervasive that it makes little sense to tackle parts of the problem here and there -- rather, the attack on mass poverty needs to be at the very centre of overall national policy.

My second assertion was that there is a great deal that can be done to reduce poverty in the developing world. In fact, in some ways the solution to the problem of mass poverty in developing countries is fairly straightforward -- developing countries need to pursue high-growth economic policies so that rates of growth of GDP perhaps 6-7%, or more, are sustained for at least three or four decades, preferably longer. Many people take the view that is a tall order. However, we know from practical experience in quite a few countries that, first, it is quite possible for economic growth of this kind to be achieved in the developing world, and second, the impact of sustained growth of this kind on mass poverty is usually dramatic.

In fact, Asia provides some very good examples of how strong and sustained growth has led to dramatic reductions in poverty.

- One of the most-well known, of course, is here in Japan. In recent years we have heard a lot about Japan's economic problems but it needs to be recalled that following the Meiji Restoration in 1868 Japan rose, as Professor Ichimura has put it, "from the poverty-stricken feudal conditions in the Edo period to the prosperous modern or post-industrial society in only several generations." This was a stunning economic performance. It brought great benefits to the Japanese people. And it remains a phenomenon of considerable interest to many other Asian nations because they are eager to find out exactly how Japan managed to achieve this economic miracle and whether it is still possible to copy the process today.
- More recently, Korea's economic performance in terms of promoting growth and reducing poverty has been outstanding. Korea registered very high rates of economic growth in the three decades to the mid-1990s. The growth was achieved with little increase in economic inequality across the nation. The overall result was that the proportion of the population living in poverty fell from an estimated 40% in the mid-1960s to less than 5% in the mid-1990s.
- In Thailand, Malaysia, and Indonesia, high and sustained growth in the thirty years up to the late 1990s resulted in sharp falls in measured levels of poverty in these countries.
- Current outstanding performers, in terms of growth, are the People's Republic of China, India, and Viet Nam. In all three countries, the evidence is that poverty has been falling markedly in recent years. Just last week the World Bank released a report on the Viet Nam economy that commented on the link between growth and poverty. The report noted that: "Viet Nam's achievements in terms of poverty reduction are one of the greatest success stories in economic development. A decade ago, 58% of the population had an expenditure level that was insufficient to support a healthy life. Five years later, the proportion of the population below this particular poverty line fell to 37%. It had further declined to 29% by 2002. Thus almost a third of the total population, the equivalent of more than 20 million people, were lifted out of poverty in less than 10 years."

The same lesson emerges, but unfortunately as a result of negative experience, from recent economic performance in slow growing countries such as PNG, The Philippines, and Indonesia since the 1998 crisis. In each of these countries, growth has been rather slow in recent years. And in each of these countries, poverty has risen or has been very slow to fall. In the Philippines, for example, there has been almost no increase in income per person in close to two decades. As a result, progress in reducing mass poverty has been disappointing.

From one point of view the clear lesson that emerges from these various examples is that strong, sustained economic growth in developing countries is needed to tackle the issue of mass poverty. But from another point of view, this lesson immediately gives rise to new questions. Two of the most important of these questions are:

- How can developing countries achieve high growth rates? And
- What can be done to ensure that the growth is "good growth" in the sense of ensuring that the economic growth leads to widespread social and environmental improvements as well as just increases in production?

These are difficult questions that raise many controversial issues. The short answer to both of them is: Ensure that good policies are in place -- and in particular, ensure that good macro and microeconomic policies are in place that create a sound investment climate and that provide stability. But this answer quickly prompts the question of: What can be done to encourage policy-makers in developing countries to adopt good policies?

ROLE OF THE MEDIA

This question leads me to the second topic that I want to say something about, which is the role that the media can play in responding to the challenge of tackling poverty in developing countries.

The media, through supporting high-quality, thoughtful comment and debate on public issues, has a key role to play in supporting good policies and building decent societies. And this is just as true in the area of economic and development policies as in other areas.

The best single example of this that I know of is the debate about trade and the level of tariffs -- that is, levels of protection -- that took place over the three or four decades to the early 1980s in Australia. Australia, in economic terms, is today a relatively open, low-protection country. But tariff levels used to be much higher, and significant parts of the Australian industrial sector used to be much more protected than is the case today. For decades, through the 1950s, 1960s and 1970s, a long-running national debate was conducted in parliament, in universities, and in business circles about the pros and cons of cutting tariffs and reducing protection.

Throughout this long debate the national media, and especially economic journalists and commentators at the high-quality end of the print media, played a key role in promoting reform. Several of Australia's most well-known economic journalists such as Ross Gittins and Ken Davidson constantly set out the issues clearly and fairly. One well-known Member of Parliament who wrote hundreds of anonymous articles (semi-anonymous, anyway) under the pen name of "The Modest Member" also lent strong support for reform. In the end, starting in the 1970s and continuing through into the early 1980s, there were very marked reductions in the level of protection in Australia.

The results of these and other pro-market supply-side reforms paid off for Australia in the 1990s. They are still paying off today. During the past decade, Australia's economy has performed very well with one of the highest rates of growth across all of the OECD countries.

Looking back at the series of supply-side economic reforms that have underpinned good economic performance in Australia, there seems little doubt that the media played a key role in strengthening the environment for reform.

Of course, the media plays a similar role elsewhere. In many other countries well-known economic journalists and commentators constantly argue the case for reform. In the United Kingdom, Martin Wolf who writes for The Financial Times, William Keegan from The Observer, and the numerous columnists and invited contributors who write for The Economist constantly outline key economic issues that need attention. In the United States, Paul Krugman has attracted much publicity as a hard-hitting commentator on public policy issues.

Across Asia, too, there are many well-known national journalists and commentators who contribute to the public debate. Here in Japan, people such as Yoichi Funabashi and Akira Kojima frequently contribute articles on national and international issues. In the Philippines, Amando Doranilo is perhaps the doyen of national journalists in his field. In Indonesia, Professor Mohammad Sadli has been an extremely influential voice for good public policy for over 40 years, while younger commentators such as Hadi Soesastro, Mari Pangestu, and Anggito Abimanyu frequently argue case for economic reform. In Thailand, Ammar Siamwalla is a leading commentator, while in India people like Prannoy Roy, Sanjaya Baru and Krishna Raj are very well-known journalists.

These people, and many others like them, play a key role in supporting the process of good governance across the Asia-Pacific region. This is because the good governance of a nation needs to take place at many levels. Of course, the role of the most senior leaders is important. When the top political, bureaucratic, and military leaders are doing a good job, this is a major step forward.

But good governance needs to go well beyond the top people in government and administration. For one thing, it is highly desirable that the performance of top political and administrative leaders is constantly monitored in an open and transparent way. Experience across many countries and across hundreds of years teaches us that the private interests of leaders and the public interests of the community do not always coincide. In the public interest, therefore, there is much to be said for ensuring that decisions about economic policies -- and especially decisions about the sectoral impact of economic policies -- are discussed in public by well-informed commentators.

For another thing, while there is a need to ensure that decisions taken by government leaders are constantly scrutinized, there is also a need to ensure that when top leaders do take good decisions they get strong support. It is unrealistic to expect government leaders to be able to promote reform by themselves. They need widespread community support to promote social and economic change across a nation. The role of economic journalists and commentators in supporting reform is a very important one. They can play a key role, first, in helping creating constituencies for reform and then later, once reform packages have been introduced, in helping encourage acceptance of the changes across the nation.

In fact, one of Indonesia's most senior economic ministers reminded me of this recently when I asked him what the ADB Institute might do to strengthen support for good policies in Indonesia. He replied that that it was frequently clear enough what policies were needed but that, too often, there was a lack of public support for the policies. "Do what you can to persuade the public, and the parliament, to agree to reforms," he said. "Without their support, it is hard for me to promote the changes we need."

In talking of support, we need to remember that it is not only the top leaders of a nation who need support but journalists as well. Too often, the role that journalists play in the Asia-Pacific region in challenging existing policies and promoting reforms is risky. Across the region there are many instances of journalists taking substantial personal risks, and sometimes paying a heavy price for telling the news like it is.

I have, by the way, a personal interest in this topic. My son has been a foreign correspondent in Indonesia for over four years. He covered the turmoil in Indonesia in 1998 when President Soeharto resigned from office, and later reported on the transition of power in East Timor. He, along with other journalists in Jakarta, has at times been caught up in angry crowds of anti-foreign demonstrators in Indonesia, and has had to duck for cover during military clashes in Dili. I am therefore very aware of the risks that journalists face in covering events in developing countries in Asia, and strongly believe that all journalists in the region need good support from the international community for the important work that they do.

ADB JOURNALIST AWARDS

This recognition of the key role that the media plays across the Asia-Pacific region brings me to the third main matter that I want to refer to today. As a step towards showing practical support for good journalism, the ADB Institute has developed a program that we hope will provide international acknowledgement of the best work done by national journalists in the region on issues that relate to good governance and good policy-making.

Beginning with our announcement today, the ADB Institute will be supporting annual awards for development journalism. The purpose of the awards is to publicly recognize the efforts made by Asian journalists from developing countries who provide high-quality, balanced coverage of the real issues affecting growth and development. Details of the program are provided in the guidelines that have been distributed but in brief, the program will work as follows.

- Applications will be invited each year from eligible journalists from across the Asia-Pacific region. An important aim is to recognise and support the work of regional journalists from developing countries who are writing about the region. So to be eligible, journalists must be nationals from developing countries.
- Because this is the first year of the program, we have decided to make the period for eligible entries extend from January 2001 to February 2004. As a first step, we are concentrating on the print media although it may be possible to expand to other media in future.
- Prizes will be awarded for six main subject categories. In addition, it is planned that special prizes will be awarded in the four main categories of (1) Development Journalist of the Year, (2) Development Woman Journalist of the Year, (3) Young Development Journalist of the year, and (4) Islands Journalist Award.
- A high-quality independent panel of judges who have extensive international experience of work in journalism will judge the entries.

- The first, second, and third prizewinners in each of the main subject categories as well as prize-winners in the four separate categories will be flown to Tokyo to attend the award ceremony, probably in the first week of April next year. In addition, the prize-winners will be invited to spend some additional time in Tokyo to visit various media agencies and operations here.

More detailed information is in the guidelines which have been distributed today and which are being posted on ADBI's web site www.adbi.org/journalismawards.html

CONCLUSION

Ladies and gentlemen, given the challenges that journalists face across the Asia and Pacific region, this new program that the ADB Institute is launching today is just one step towards providing stronger international support for the good work of the media in the region.

We hope, too, that you and your companies will help us publicize the awards and get the word out to applicants throughout the region.

Our hope is that this program will help strengthen the hand of journalists who contribute to good governance and good policies in the Asia-Pacific region. We would like them to know that their work is recognised at the international level as a key contribution to promoting development and tackling poverty across the region.