

Prof. Wolfgang Lutz

Thank you very much, good afternoon. Session two on Human and Social Capital for Global Development took place in the afternoon yesterday. It had eight presentations and lively discussions so I cannot possibly do justice to all of the points made. Just to recall, so you remember, it started out with three women speaking, actually quite dynamic presentations. Berit Olsson from Sida SAREC, Linda Yueh from Oxford University, and Anne Goujon from IIASA. These first three presentations really looked at how can we enhance human wellbeing. And then we had two presentations from IIASA by Landis Mackellar and Anthony Patt that actually studied what are the risks to human well being and how can we reduce the vulnerability to these risks? Then Percy Barnevik and Khotso Mokhele addressed the question how can we get to actually improve well being, and finally Allister McGregor had some further considerations on how to define well being: what is it after all that we want to improve? So I cannot do justice to all of them, I will just try to define three possibly common topics.

There is near consensus on putting social human beings at the center of our analysis and action. So it gives the emphasis to the individual, individual integrity, individual health, individual empowerment. But it also makes clear that homo sapiens is a social species. We need interaction with others to prosper and therefore we need to strengthen institutions, be they legal systems or firms, and to support the social networks. Well, to many this may sound trivial and self-evident, but once we think of the consequences following on from this priority on human beings when it comes down, for instance, to investing in a new road or spending the same money for education there, as we will see later, hard choices will have to be made.

This brings me to the next pervasive theme; many of the speakers touched on “quality” education. I put quality in parentheses because we typically don’t have very good data on the quality of education. We have data on different educational attainment categories but the quality is much more difficult to measure. But indeed what we want is high quality education. And then there are three levels of education. There was a lot in speeches about literacy and basic primary education and, indeed, as you all know, the Millennium Development Goals in their second goal talk about universal primary education both for girls and boys. And then many of us see clearly the benefits and discuss the benefits of higher education—of increasing the number of PhDs and even of a scientific community that should not just be a global scientific community but also a local scientific community in the developing countries. And there are many good arguments to support this, but what about the secondary education in between?

Anne Goujon has shown us some new data that we have at IIASA that does have information on the full educational distribution, primary, secondary and tertiary; and, indeed, when it comes to economic growth, secondary education of broad segments of the population, in addition to universal primary education, really plays a key role. Jan Pronk reminded us last night that inequalities are increasing, particularly within countries, and this tendency of increasing inequality is also well reflected in and related

to these educational distributions. We saw the picture from India, and Kirit Parikh just talked about it, that there is great progress in rather small groups of the population that are well educated in India while the large segments of the population are left with very poor education. So here an emphasis on secondary education can help to bridge the gap and develop, so to speak, the middle ground to improve development. This does not imply of course that primary or tertiary education should be disregarded. Quite the opposite. We need to study really what is the best mix of efforts at these various levels of education and here we come to a research agenda that we indeed have in front of us where over the next year we should study. As has been said by the previous speaker, a common theme of this set of papers again was the fact that we have to make choices. Landis McKellar made it clear that, in the field of health, whether we invest in prevention or curative medicine—and actually some of the speakers were more specific—of how we should be informed in order to make the right choices. They should be wise, in the words of Khotso Mokhele; they should have a long time horizon, as several of the speakers said, and should be based on the best science. And best science does not necessarily mean articles published in a journal with the highest impact factors. Some of the speakers reminded us that they need to include local knowledge as well as the understanding of issues in a broader sense.

So let me come to the end to my personal observation. I am interested to hear whether some of you share this. When we compare today, where we dealt with the environmental factors, and yesterday when there were the social factors, we have quite a different paradigm for addressing the problems, and there are probably rare conferences where there is equal emphasis on the social and environmental side. IIASA is one of the few institutions who does this. You will remember on many of the satellite images you have seen today you saw two main messages. First, you saw the planet Earth as our common habitat, it's like in a boat, we are all in the same boat. And secondly and remarkably you did not see, from space, any national boundaries. And this is quite the opposite from what we have in the social sciences where indeed statistics always come by nations. This is the way our system is organized, the way the United Nations by definition is organized and therefore we sometimes get the wrong impression that differences between the nations are more important than differences within the nations. And I think in the social sciences we have to make progress towards looking at the more detailed spatial distribution and also the more detailed social distributions in addition to the national distributions. Thank you.