

# Regional Integration for Sustainable Economies (RISE)

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*Remarks By*

**Carole L. Brookins**

Chairman and CEO

World Perspectives, Inc.

Washington, D.C.

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## THE CHALLENGE OF INCLUSION: CAN FARMERS PARTICIPATE IN GLOBAL TRADE?

- r “It is the lack of infrastructure development in rural areas—the inability of rural residents to participate fully in their national economy and the global economy—that is the real threat to agricultural producers and their families and communities...The threat is not opening farm markets to global competition.”
- r “We need to open markets at borders, but we also need to open markets within countries...”
- r “We should be enabling rural and farm families to diversify their sources of income, including policies and development assistance that expand investments in agricultural processing and food production, in non-agricultural industrial and service businesses and in education and training.”
- r “Without adequate modern infrastructure linking rural areas to urban and international markets, we will slow down demand growth, income growth and support for trade liberalization.”

*“Opportunities and Threats on the Road to 2020”*

*Carole L. Brookins to IAMA Congress Jakarta, Indonesia; 25 June 1997*



# **ASIA: DEVELOPING/EMERGING ECONOMIES**

- 50-70% OF POPULATION LIVE OUTSIDE OF URBAN CENTERS
- MOST OF GDP AND GDP GROWTH ARE IN AND AROUND METROPOLITAN CENTERS



# **APEC-PECC REGIONAL INTEGRATION FOR SUSTAINABLE ECONOMIES (RISE); LINKING REGIONAL MARKET CENTERS TO GLOBAL OPPORTUNITIES**

- Public-Private Partnership
- APEC Group on Economic Infrastructure (GEI)
- PECC Food and Agriculture Forum
- Launched in May 1999
- Supported by ABAC as a Key Component of the APEC Food System
- Endorsed by the PBEC (Pacific Basin Economic Council) Food Committee



## **THE RISE GOAL:**

- To Bridge The Economic and Social Divide Between Metropolitan Centers and Secondary Cities in Rural Regions.

## **THE RISE MISSION:**

- To Create More Dynamic, Economically Diverse and Sustainably Faster Growing Regional Commercial Hubs; and
- To Improve the Integration and Economic Linkages of Secondary Cities in these Rural Regions to National and World Markets.



# THE RISE PROCESS:

- Target Site Specific RISE REGIONAL GROWTH CENTERS (RGC)
- Build a Team of Expert Advisors Directed to Specific Need of RGC
- Determine the Gaps in Capacity (Hard and Soft Infrastructure)
- Assess the Regulatory Framework and Policy Environment
- Develop Commercial Feasibility Assessments
- Identify the Required Investments
- Mobilize Investments

(Cooperate with Development Agencies and/or Direct Implementation by Local Resources and Entrepreneurs and/or FDI)



# **TWO PILOT REGIONAL GROWTH CENTERS (RGC)**

- **JIANGMEN CITY (WESTERN PEARL RIVER DELTA), GUANGDONG, CHINA**
  - Population: 4 million; Land Area 10,000 square kilometers
- **MANADO BITUNG (NORTH SULAWESI) INDONESIA**
  - Population: 2.7 million; Land Area 28,000 hectares



# RISE PUBLIC:PRIVATE PARTNERSHIPS

- **THE PUBLIC PARTNERS:**

- APEC GEI, Participating RGC Governments
- RISE Senior Advisors: The World Bank, Asian Development Bank, U.S. Department of Agriculture

- **THE PRIVATE PARTNERS:**

- RISE Executive Committee Business Members
- IBM, Mitsui, Rabobank, Kuok, Dah Chong Hong (DCH), Cargill, McDonalds





# **JIANGMEN CITY RISE RGC**

## **Three Components (Jiangmen Identifies):**

- IT Capacity Building
- Investment in Agro-Industry Processing
- Pilot Projects in Rural Poverty Regions (Mountain and Coastal Villages)

## **Two Components (RISE Team Identifies):**

- Resource Development (Human Resources for Investment Promotion)
- Marketing Jiangmen (Raise International Profile of Jiangmen)



# **IBM E-Commerce Cooperation Contract with Jiangmen**

- The first IBM contract with a local government in China
- IBM helping Jiangmen to train e-commerce personnel, build a local e-commerce platform, and familiarize Chinese companies with the latest technology



**The Goal:** Accelerate Jiangmen's uptake of e-commerce and internet technologies and position Jiangmen to compete in global electronic trade

- **Completed APEC E-Commerce Readiness Assessment**  
(Jiangmen was rated against a comprehensive set of indicators of readiness for the digital economy, with the participation of local businesses, government and other stakeholders)
- **Helped Jiangmen develop a five-year information technology strategy covering all elements of the economy, government and society.**  
(The Five "E's": E-Government; E-Industry; E-Technology; E-Education; and E-Society)

**The Result:** Jiangmen was named by Chinese Government as one of only 8 Strategic IT (Incubator) Cities in China



# **DEVELOPMENT OF AGRO-INDUSTRY/MARKETING JIANGMEN**

- DCH Commitment of HK\$200 Million to Agro-Industry Investment
- Visits By Cargill, McDonalds, Satake
- Jiangmen Presentation to Japan/HK Business Chamber
- Jiangmen Presentation/Participation in Seattle Pacific Mayors Summit
- Columbia University MBA team visit (participants represented companies including IBM, Citigroup, Merck, Automatic Data Processing, Hoffman-LaRoche)

## **RURAL POVERTY PROJECT**

- Discussion with UNDP on village pilot projects.



# **INFRASTRUCTURE CAPACITY BUILDING IS TRADE NEUTRAL AND TRADE EXPANDING**

- IT ISN'T TRADE AND DEVELOPMENT
- IT IS TRADE, BECAUSE OF DEVELOPMENT
- WHY?  
AGRICULTURE DEMAND=  
population + purchasing power



# OUR GOAL MUST BE TO BUILD A GLOBAL FOOD SYSTEM

“Our goal must be to reduce these disparities across and within countries, to bring more and more people into the economic mainstream, to promote equitable access to the benefits of development...This—The Challenge of Inclusion—is the key development challenge of our time...Whether you broach it from the social or economic or the moral perspective, this is a challenge we cannot afford to ignore. There are not two worlds, there is one world.”

*President James Wolfensohn, President, World Bank Group  
Address Hong Kong China, September 23, 1997*

