

## Banking on the Third World

If Dr. Benjamin Loevinsohn had looked out the window of his 11th-floor office in Washington, DC, last April, he would have seen protesters dumping a truckload of manure on his doorstep.

But Loevinsohn didn't see the fragrant demonstration because he was in Pakistan reviewing public health projects funded by the World Bank. As a public health specialist with the bank — it is the world's largest source of external financial assistance for developing countries — he ensures that loans destined for vaccines, prenatal care and family planning actually reach their target. He's on the road much of the year, chatting with health ministers and rural physicians in Pakistan, India and Bangladesh and witnessing firsthand how they are coping with TB, malnutrition and malaria.

The World Bank lends about US\$28 billion a year to developing countries and, depending on where you sit, it is a godsend or a demon. For those who oppose globalization, the policies of the bank and its cousin, the International Monetary Fund, force political and economic strictures on the world's poorest nations. For others, like Loevinsohn, the World Bank provides affordable health care and education to those who cannot afford it.

International health has been Loevinsohn's passion since he attended medical school at McMaster and spent an elective in a small rural clinic in the Philippines before graduating in 1982. He followed that with a stint in Nicaragua, but credits his commitment to something deeper — his parents' postwar experience emigrating from Germany to Canada. "My parents barely escaped the Nazis, and that formed, maybe not survivor guilt, but the idea that we were given an opportunity to make a contribution."

Idealism also characterizes his 2 brothers' occupations. One works in the Canadian International Development Agency's food aid program and the other is studying the impact of AIDs on agriculture in Africa

Was Loevinsohn, 43, perturbed by the recent demonstrations against globalization in Seattle, Washington and elsewhere? Not at all, he says, because he was once a protester himself. He has chained himself to the doors of a bank to protest its investment policies in South Africa and was involved

in the North American grape boycott organized in the 1970s.

"There are probably many things that we agree on," he says of the demonstrators who protested in Washington this spring. "Most would agree that the developed world should spend more on the developing world. And if most people knew what we do, they'd have very little trouble with it. Health, nutrition, population control and education account for 20% of the bank's lending."

But he acknowledges the opposition to some of the bank's policies, including the conditions it places on loans. There are also areas where Loevinsohn and those opposed to globalization part ways. He notes that many protesters are worried about privatization and says that's a thorny issue because publicly owned businesses can siphon off huge amounts from a developing nation's budget — money that could be used to buy vaccines or seeds. "In Bangladesh they're spending US\$500 million supporting state-owned industries that are losing money. That's 3 times more than what they're spending on health care and nutrition activities." He says this is "a classic example" of how specific interests shape the de-

bate, because 60% of Bangladeshi children are malnourished.

As to whether the rest of the world should be supervising the way developing nations manage their own health care, Loevinsohn is adamant that long-term "soft" loans for health and education are not only a good idea but also a moral imperative. Describing a laissez-faire approach as "pathetic," he says all children should have access to the same vaccinations as Canadian children. "Yes, it costs money, but it's a wise use of resources."

However, convincing governments in developing countries of the wisdom of doing this can be difficult. "Sometimes governments are run by elites that don't much care about spending money on the water, health and education of poor people," he says. He cites the low cost of vaccinating children in Pakistan. "If you look at [the cost, about] \$4.50 a kid, times 4 million kids, that's US\$18 million a year. That's a tremendous investment. If you invest, you know it's going to work, but mobilizing that kind of money is a real challenge. If the government of Pakistan is willing to borrow it, the World Bank is willing to lend it." — *Susan Pinker, Montreal*



Tom D'Agnes photo

Loevinsohn on the road at a welcoming ceremony in Laos