

**AFD/EUDN conference, 12<sup>nd</sup> november 2008, Paris.**

## **Population and natural resources: Managing pressure**

Growing pressure on natural resources (agricultural lands, forests, water spaces, pastures, fossil fuels, etc.) occurs as a result of population growth and increasing demand accompanying improvements in standards of living in various parts of the world. The following questions inevitably arise in this context. Is such a pressure sustainable in the long run and, if it can be somehow managed by human intervention, what is the role played by behaviour responses on the part of private agents acting in a decentralised manner, and what is the part to be played by public policies? Which is the nature of the desirable public policies, not only on the level of technologies but also of institutions (property rights, in particular)? In addition, to the extent that scarcity of resources generates considerable rents in the hands of those who own a large chunk of them (oil states, for example), the question also arises as to how these rents could be managed in a manner that is both efficient and compatible with the interests of the many? In attempting to provide answers to these difficult and topical questions, the speakers will illustrate their statements by referring to case studies of particular resources and areas.

### **Programme**

#### **9h15-9h30: opening session**

**Jean-Philippe Platteau**, EUDN and **Pierre Jacquet**, Agence Française de Développement.

#### **9h30-10h15: Keynote address: Jared Diamond** (*University of California, Los Angeles*)

"Coping with Change"

How do societies and individuals adapt successfully or not to crises?

10h15-10h45 Debate

10h45-11h: Coffee break

#### **11h-12h45: 1<sup>st</sup> round table. Agriculture: how to reconcile demographic pressure, productivity and sustainability?**

**Chair: Hubert Cochet** (*AGROPARISTECH*)

**Speaker: Michael Carter** (*University of Wisconsin*)

"Investing in agricultural innovation: the role of financial markets"

The theory of induced agricultural innovation suggests that there is a path of appropriate technological change even for economies characterized by rapid population growth and

increasing land scarcity. While some believe that market signals alone are adequate to foster agricultural growth, recent experience suggests otherwise. This presentation will first consider the evidence on rural financial markets: how and why they tend to constrain investment needed for agricultural productivity growth, especially in economies in which small farms predominate. It will then consider a new generation of risk management interventions. These are designed to alter the conditions leading to dysfunctional rural financial markets and to ultimately promote institutions and innovations needed for sustainable technological change in agriculture.

**Discussants:**

Michel Griffon (*French national agency for Research*).

Ernest Aryeetey (*University of Ghana, Legon*).

12h45-14h, lunch break.

**14h-15h30: 2<sup>nd</sup> round table. Which policies to contain forest degradation in developing countries?**

**Chair :** Roberto Smeraldi, Director of *Friends of the Earth* (Brazilian Amazon)

**Jean-Marie Baland** (*University of Namur*)

“Forest degradation and the role of public authorities: the case of the Indian Himalaya”

Forest degradation in Indian Himalaya leads to spectacular soil erosion and threatens the equilibrium of the major rivers of the region. Different kinds of public interventions to reduce human pressure on forests will be examined here, based on a number of detailed field studies. This pressure will most likely rise in the coming years due to demographic growth and weak elasticity of households' wood consumption to wood collection costs. Measures to reduce wood-heating, subsidization of alternative energies such as natural gas and modernization of property rights are possible ways to confront the problem.

**Discussants:**

Eswaran Somanathan (*Indian Statistical Institute, New Delhi*).

Denis Loyer (*Agence Française de Développement*).

15h30-15h45: coffee break

**15h45-17h15: 3<sup>rd</sup> Round table. Resource rents: how to lift the curse?**

**Chair:** Zéphirin Diabré (*former Minister of Finance, Burkina Faso, and UNDP Administrator, now Chairman Africa and Middle East, AREVA*).

**Alan Gelb** (*World Bank*)

“The second time around: Have oil exporters learned from the last oil boom?”

Oil exporters need to confront two main problems in seeking to harness resources for development. First the extreme volatility of revenues; second the severity of the principal agent problems between oil companies, producer governments and the (current and future) citizens of producing countries. Citizens may be the ultimate "owners" of the resources, but it

is not clear how ownership is to be effectively exercised, especially in countries with weak institutions. Moreover, it is not clear that electoral competition alone will solve the problem because of the incentives for it to turn into competition for rents. The paper will present lessons from past experience, provide a comparative analysis of exporters' trajectories through the start of the current oil boom, and consider approaches towards creating "agents of restraint" that can help to support better policies.

**Discussants:**

Thomas Sterner (*University of Gothenburg, Sweden*).

Pierre-Noël Giraud (*Ecole Nationale Supérieure des Mines de Paris, CERNA*).

**17h30-18h30 Final round table**

Wangari Maathai, 2004 Nobel Peace prize winner, Founder of the Green Belt Movement.

Jean-Michel Severino, CEO, AFD.

François Bourguignon, Chair of the Paris School of Economics.

Jean-Philippe Platteau, EUDN President.