

Dr Worrell Joins the Global Interdependence Center's College of Central Bankers



Image: [LaSalle](#)

Dr Worrell accepted an invitation to join the [Global Interdependence Center](#) College of Central Bankers on July 12, 2021. The Global Interdependence Center (GIC) is a Philadelphia-based nonprofit organization with a global reach. Its mission is to encourage the expansion of global dialogue and free trade in order to improve cooperation and understanding among nations, with the goal of reducing international conflicts and improving worldwide living standards. The Center is hosted by the Federal Reserve Bank of Philadelphia, and its membership includes companies and universities.

On December 14, 2018, the Global Interdependence Center announced its [College of Central Bankers](#) initiative to further sustain and enhance relationships with former leaders of the world's central banks. Inductees this year, along with Dr Worrell, are Dr [Athanasios Orphanides](#), former Governor of the Central Bank of Cyprus and [Masaaki Shirakawa](#), former Governor of the Bank of Japan.

On joining the College, Dr Worrell prepared the following commentary, which was circulated to members of the College.

We Each Owe our First Allegiance to our Fellow Humans

The marvel of modern communications technology has brought home to everyone who cares to pay attention, the fact of our common human destiny. Widely available information about anthropogenic climate change, species extinction, pollution and waste, desperate poverty and income inequality, all point to an implosion of human civilisation which is more imminent than anyone could have contemplated

since the end of the Cold War. However, while many of us understand the danger intellectually, in our hearts our loyalties remain parochial, to our country, to our faith, to those of our political persuasion, to those who share our heritage and culture. It is those markers, not our common humanity, which tend to determine our strongest motivation. In this commentary, I offer examples of how these loyalties manifest themselves, why they stand in the way of corrective policies, and what other challenges darken the horizon. The challenges that confront humanity are of such magnitude, and of such immediate consequence, that it is difficult to be optimistic about the survival of civilised society, even for as short a period into the future as 2100, unless our hearts catch up with our intellect. The way that happens is through personal contact. As I write this, the Taliban has overrun Afghanistan, and I am sad as I contemplate the fate of women and girls in that unfortunate country; but I am not heartbroken as I would have been if I had a personal friend caught up in the imbroglio. The solution to overcoming an insularity and self-centeredness that will destroy our world, is to build institutional bridges across nations that result in bonds of friendship and affection. In this way we do become our brother's keeper, in the sense of American soldiers and administrators anxiously awaiting the fates of their Afghan translators and support staff, and in the way we worry about the Afghan journalists with whom we have grown familiar, through international news reports. Hundreds of thousands of formal and informal transnational networks will be needed, to form a dense worldwide web of friendships, understanding and affection, of this kind.

The global response to the Covid-19 pandemic provides a dramatic and consequential illustration, of the urgent need for global empathy and responsibility, and of the vast distance still to be covered to reach that goal. The distribution of Covid-19 vaccines is an international tragedy that exposes the consequences of national loyalties. There is universal appreciation, that in a tightly interconnected world, vaccination has to proceed at roughly the same pace in all countries if the virus is to be brought under control before new variants multiply and render existing vaccines innocuous. However, governments are unable to resist hoarding vaccines for domestic use, even when that starves poorer and smaller nations of supply, for fear that their own citizens will punish them for releasing supplies before everyone at home has had the opportunity to be vaccinated. The result is that there is fertile ground among the unvaccinated populations of poorer countries, for the vaccine to spread and mutate, developing strains that can infect the fully vaccinated populations of rich countries. This is a result of the fact that policy-makers are answerable to a national population; it is not a failure of political will.

The campaign to reduce the use of coal-fired plants around the world provides another example of the urgent imperative of global networks of empathy. There is an unacknowledged conflict between, on the one hand, efforts to halt the emission of greenhouse gases through substituting renewable sources for coal and other fossil fuels, and, on the other hand, the alleviation of poverty, particularly on the African continent. Africa counts [22 of the world's 25 poorest countries](#), an international scandal if ever there was one. There is no equally affordable means of supplying the power requirements of Africa's large cities that compares with coal. If Africa is to cure its power supply deficit without the use of fossil fuel, massive free transfers of finance will be required, to cover the costs of transmission, storage and distribution of the renewable energy that will, of necessity, have to be generated far away from the major concentrations of population. The governments of rich nations which have the financial capacity to provide the necessary finance are driven by domestic priorities, which crowd out any consideration of funding of the required magnitude for sustainable power for the developing world.

A third example of how nationalism is damning the world to policies that are destabilizing for humanity has to do with immigration. The unique insight we have been gifted by the Nobel Prize winning economist Arthur Lewis, is the dramatic improvement in labour productivity that comes from switching the workforce from agriculture to industry. The gains from higher labour productivity can have a

transformative effect on the well-being of the population, as has been manifested in China in the last four decades. Nowadays the possibilities for reaping the rewards of higher labour productivity are richer and more varied, including through migration of labour from low paying agricultural jobs in poor countries to much more efficient agricultural and construction jobs in rich countries, as well as the migration of skilled workers such as nurses, teachers and hotel workers. This is a multifaceted issue, but the point that is relevant to our discussion is the fact that there are probably only two countries, China and India, where this remains largely a domestic issue. Only in those countries will purely national policies suffice to realise the possibilities of the transfer of labour out of low-productivity agriculture. Elsewhere international policy negotiation comes into play, between national governments who seldom have a mandate to accommodate the interests of non-nationals at the negotiating table.

The burden of my argument is that the best hope for solutions to the imminent threats to the future of civilised society as we know it is to build personal networks of trust that transcend national - and other - borders. It is in that spirit that I welcome the invitation to join the College of Central Bankers, and I very much look forward to making the acquaintance of everyone, and sharing ideas and experiences.

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