



## Report

# Banking on Youth – Young People Champion Sustainability Futures for Multilateral Development Banks in 2040

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## Abstract

*This report explores the futures of Multilateral Development Banks (MDBs) in 2040 created by Youth for Asia (YfA), the youth-led initiative of the Asian Development Bank (ADB) that acts as a vehicle for youth to engage in ADB projects, knowledge generation and partnerships. We highlight the history of MDBs, four scenarios, the preferred future, a backcast, and a set of metaphors that offer recommendations to help MDBs align culture with strategy.*

## Keywords

Youth Futures, Futures Thinking, Six Pillars Approach, Scenarios, Backcasting

## Introduction

In June 2020, Adam Sharpe facilitated an online futures workshop for YfA and other affiliated youth leaders to create possible, probable, and preferred futures for MDBs and youth in 2040. The workshop was attended by 17 people from over 10 countries across Asia-Pacific and Europe, and lasted a total of 180 minutes. All were in some way affiliated with YfA, whether a current or a former team member, or partner. The workshop was conducted entirely online using Zoom to host the meeting and team collaboration software Miro to capture and categorize the data. Images from the Miro board have been exported and shared throughout this piece to show the raw data captured from the participants themselves.

MDBs are international institutions that provide financial assistance to developing countries to promote economic and social development. The ADB is a regional development bank headquartered in Manila, Philippines. Its 31 field offices around the world promote social and economic development in Asia. ADB's work with young people has evolved from implementing projects that benefit youth in various sectors including education and health, to establishing opportunities for young people to work at the Bank, to expanding the role of youth in ADB's operations and knowledge products through YfA. This youth-led initiative launched in 2013 under the NGO and Civil Society Center (NGOC) placed young leaders into ADB headquarters to identify meaningful spaces for engagement and empowerment of youth across Asia-Pacific, becoming the first unit among IFIs with the goal of embedding youth activities within institutional operations.

The YfA team is comprised of young people aged 18-30 from all over the world including the Philippines, Vietnam, India, Spain, UK, USA, and Canada. They are hired as consultants typically for one year before making way for a new young person to join the team. Prior to COVID-19, all were based in Manila working within ADB Headquarters, but have since been forced to work remotely. The team is varied in terms of skills and experience, with some bringing expertise in social development, others in event production, communications, and administration. Together, the team designs and produces various interventions at both a national and a regional level, including intergenerational policy dialogues, capacity building trainings on the SDGs, youth-led research and

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learning projects, and knowledge sharing events.

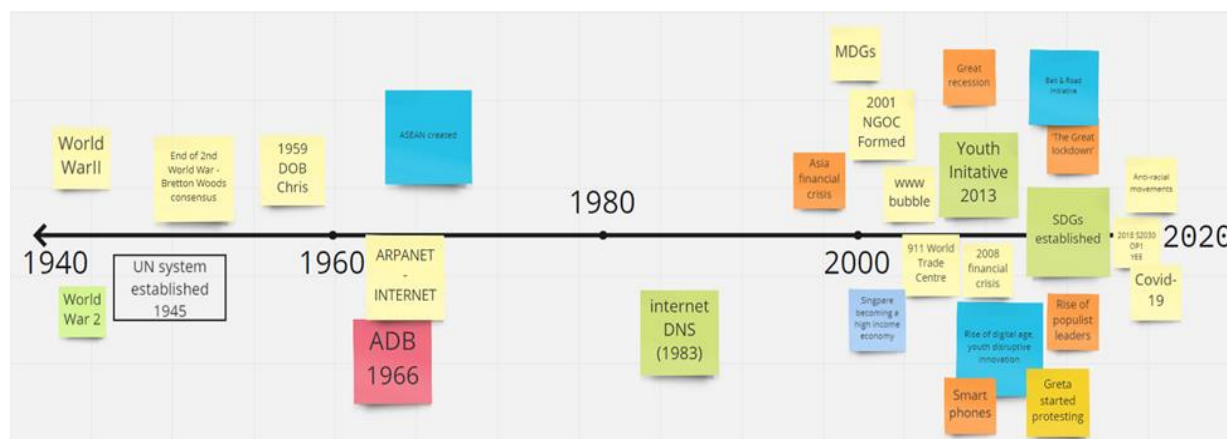
The intention of this futures workshop was to increase futures literacy within the YfA team whilst deepening their understanding and engagement with YfA's long-term vision to institutionalize youth participation in the delivery of Strategy 2030 (Asian Development Bank, 2018). ADB has in recent years pioneered the use of futures thinking for the purpose of participatory policymaking and project development (Asian Development Bank, 2020), but for all participants in the workshop, this was their first exposure to Futures. Using the Seven Foundational Questions within the Six Pillars Approach to Futures Studies (Inayatullah, 2005), a preferred future emerged where MDBs became engines of sustainable development, highly flexible and collaborative by design, and guided by diverse youth leadership. Sustainable development, diversity, and new technologies were key themes that emerged during the workshop, with participants highlighting the need for MDBs to become more flexible, adaptive, and inclusive if they are to achieve a prosperous, resilient, and sustainable Asia-Pacific.

## A Background to Youth and MDBs

Participants were asked to write down three events each that led to the present. Based on the data collected, we can see that MDBs have evolved and expanded dramatically in recent decades. Many were established in the 1960s after decolonization, while others were created after the end of the Cold War to support reconstruction, development, and regional integration. In the last 20 years, MDBs were called upon to play an important role in the pursuit of the Millennium Development Goals (MDGs) to be achieved by 2015 and to achieve the more expansive Sustainable Development Goals (SDGs) and Agenda 2030 (Overseas Development Institute, 2018).

By mapping the history of the issue, participants recognized the complexity of the operating environment for MDBs and in turn young people, with conflict, economics, geopolitics, ecology, and social change movements all shaping the terrain. Recent events highlighted include Greta Thunberg's Fridays for Future global youth protests, "the Great Lockdown" post-COVID-19, and the Black Lives Matter protests.

## The History of the Issue



**Fig. 1:** Participants were asked to map the key events that led MDBs to where they are today

In today's VUCA (volatile, uncertain, complex, ambiguous) world, although MDBs must help policy-makers address a growing list of global challenges, broader mandates are generally not matched by increasing support from shareholders; with resources stalling, shrinking budgets, more national assertiveness and dwindling trust in multilateralism, some MDBs today are "caught between a rock and a hard place: increasing mandates and stagnating resources." (ODI, 2018, p. 8).

Youth are recognized as a vital demographic in ADB's Strategy 2030 (ADB, 2018) especially in lower-middle-income countries that possess largely youthful populations (ADB, 2019, p. 10). 60% of people aged between 15 to

24 live in Asia and the Pacific; that is about 700 million youth, and over 85 million of them live in extreme poverty on less than \$1.90 a day (ADB, 2017). Harnessing the potential of the approximately 1 billion youth who live in Asia-Pacific could be critical to achieving sustainable development across the region, and most developing countries have a short window of opportunity before their youth become middle-aged and the demographic dividend is lost (World Bank, 2006).

## Scenarios

Scenarios can bring clarity to complexity, creating alternative futures and new opportunities to increase flexibility and adaptability (Inayatullah, 2015). Using the Organizational Scenario method, we established four breakout groups to map the best case, worst case, business-as-usual, and the outlier. While participants were only able to brainstorm headlines and import relevant images in the time given, the authors of this report used the data to create narratives that hopefully bring their future visions to light.

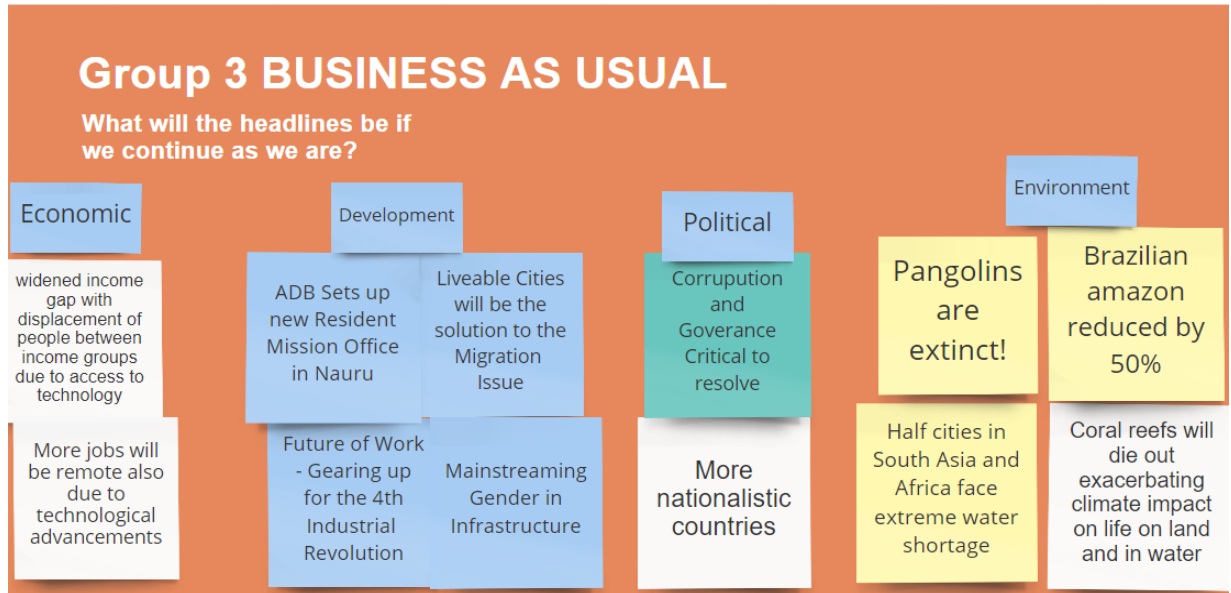
### Worst case scenario: Planet of the Apes



**Fig. 2:** Worst case scenario

MDBs fail to overcome increasing isolationism and the causes of harmful climate change. The world looks on in horror as governments no longer try to solve problems but simply hold onto power and crush dissent. Democracy is dead. Major Superpowers, one by one, adopt exclusionary policies and violence as their political go-to move, leaving democratic and multilateral institutions to decay and rot. As rising sea levels eradicate the Pacific as well as Asia's major low-lying cities, the world witnesses a marked increase in poverty rates, food insecurity, mass climate migrations, and civil unrest. Public confidence in institutions evaporates. With no funding and no hope, the United Nations and MDBs close their doors – rendered irrelevant, out of date, the products of an era where we cared. No longer. It is every man or woman for his or herself. Drivers for this future shared by participants included:

- The rise in populist governments around the world
- Global civil unrest
- Funding challenges for the UN and MDBs
- Predicted rise in global temperatures to 2 degrees and beyond

**Business-as-usual scenario: the slow decline****Fig. 3:** Business as usual scenario

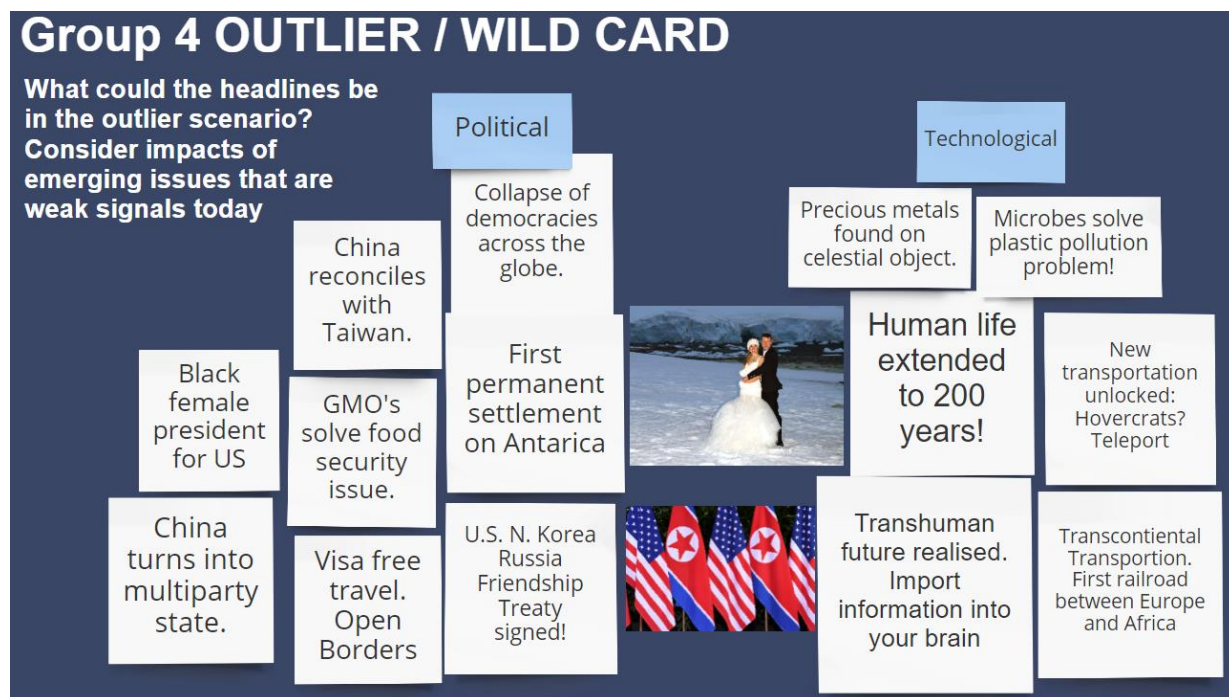
MDBs become more accountable, inclusive, and sustainable in their choices, but ultimately fail to influence meaningful shifts in government policy to sufficiently respond to the climate crisis. Extreme water shortages, the destruction of coral reefs, and the disappearance of much of the Amazon rainforest hurt the most vulnerable. Climate disasters increase in frequency, only widening the inequality gap. A culture of corruption cripples governance, and Generation Z disconnects from civic life, immersing themselves in digital communities and online worlds where they have at least some control over their future. Insecure work, accentuated by digital disruption, is the only option for a generation that appears lost between a system that only serves the few, and a new system that never materializes. Drivers cited include:

- ADB Strategy 2030 and the SDG agenda
- Widening wealth inequality
- Increase in insecure employment
- Deforestation in the Amazon and insufficient reforestation of coral reefs

**Outlier scenario: The Silver Bullet**

Society is barely recognizable as the rate of technological advancement increased exponentially. Societies the world over embrace the philosophical movement of transhumanism, by developing and making widely available sophisticated technologies to greatly enhance human intellect and physiology. This creates a posthuman generation, born in a world made equal through the elimination of congenital mental and physical barriers. This fundamentally changes human behavior, extending human life for 200 years, and eradicating the need for traditional religion. As technology solves problems that were traditionally addressed by governments, including food security, plastic pollution, and governance itself, public lives are replaced by technology-dominated private lives. MDBs slip into irrelevance. One group member shared their experience:

Being in the wild card group really challenged me to think outside of the box on the implications of current events and articles that I have read.



**Fig. 4:** Outlier scenario

Unlike Business-as-usual, this group found technology to be a source of hope, but it was not a future they preferred. Drivers include:

- The exponential growth in speed and power of technology
- Books like *Homo Deus* by Yuval Noah Harari which explore humanity using technology to become Gods in the future
- Average hours daily spent on social media

### **Best case scenario: The Hero Generation**

In 2040, the world unites in celebration! In the face of crises on multiple fronts, global superpowers one by one rejected populism and the harmful economic policies that accentuated inequality and environmental collapse. In response to these existential threats, new leaders in government and in MDBs inspires the establishment of innovative participatory democratic institutions in every region of the world. Government and private sector unite to invest in green energies and environmental conservation, as well as healthcare, education, and in some places a Universal Basic Income. The results are exciting as sound policies herald a new era of equality and sustainable growth, celebrated in 2030 with the achievement of the SDGs.

This created a new golden generation, celebrated for saving the world for years to come. Young people grow up with the promise of secure work, skills training that meets the speed of technological innovation, all with safety nets in place. People and the planet thrive. Drivers of the best-case scenario future included:

- The inclusion of young people as a priority target demographic in ADB Strategy 2030 and the SDG agenda
- Asia's demographic dividend
- Growth in renewable energies particularly in China
- Awareness of alternative government programs like Universal Basic Income to alleviate poverty



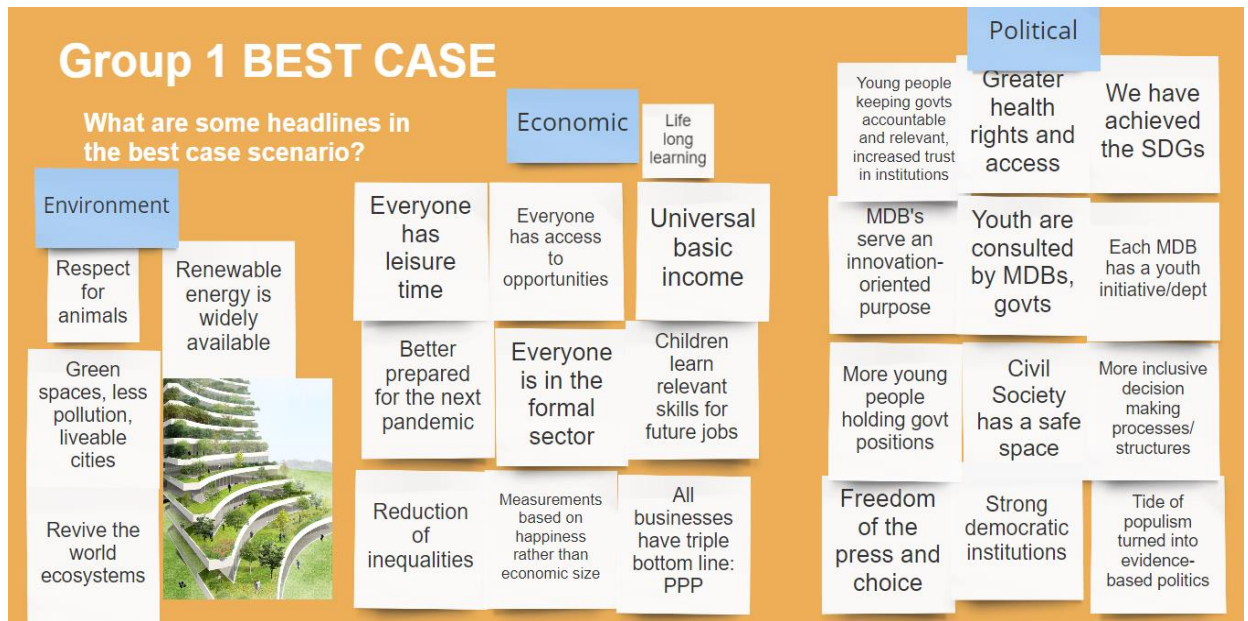


Fig. 5: Best case scenario

### The Preferred Future: MDBs Become Engines of Sustainable Development in 2040

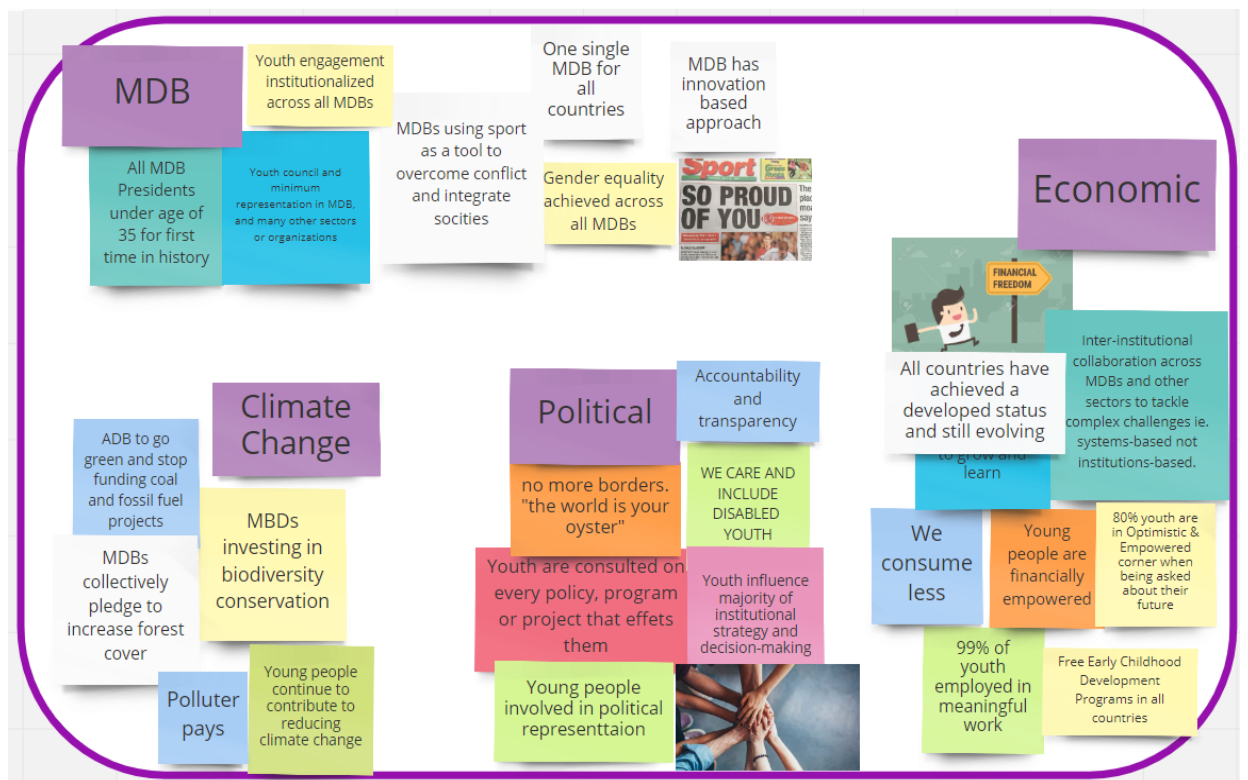


Fig. 6: The Preferred Future featuring data collected from participants on Miro

In the preferred future, MDBs in 2040 are progressive and accountable engines of sustainable development. ADB has welcomed its first female president, and the faces of her fellow MDB leaders around the world are young, diverse, vibrant, and energetic - all MDB presidents are under the age of 35 for the first time in history! Their youthful exuberance ushers in an innovation-based era for MDBs where leaner organizational structures makes them more nimble, adaptive, collaborative by design, and powered by the latest technologies. Inter-institutional collaboration between MDBs and both public and private sectors are the norm, enabling them to tackle complex global challenges together. The approach is systems-based, not institutions-based, and it works.

Their innovations in civic engagement, including the adoption of youth departments and advisory boards, opened the doors to widespread youth civic engagement in national policymaking around the world, greatly increasing public trust in institutions. It's the end of the slacktivism era - young people, and not just the privileged few, actively seek out ways to take part in shaping their future. Their inclusion inevitably leads not only to creative and innovative ideas, but to more progressive youth policies at all levels. Free early childhood development programs emerge, as does the use of sport as a tool to overcome conflict and encourage integration. Meaningful job programs are expanded, creating decent work opportunities for all.

Last and certainly not least, by 2040 all MDBs have shifted their strategy and investments away from fossil fuels and into green energy and biodiversity conservation. Humanity is at one with nature again, and there is a sense that MDBs are crucial drivers of sustainable development for all.

## Backcasting

We use backcasting to make the preferred future more plausible. By considering that the preferred future has already happened, all that remains are the technical issues determining the next steps (ADB, 2020).



**Fig. 7:** Backcasting exercise on how participants see their preferred future coming to fruition

## Backcasting

- 2040 – Global poverty is eradicated & youth participate meaningfully in the global economy
- 2038 – Governments improve regional collaboration, multilateralism reawakened
- 2037- Mass climate change protests, emergency council on climate change established
- 2035 – Pacific countries fully submerged, MDBs allocate half their funding towards youth
- 2034 – The last fossil fuel car is taken off the road
- 2032 – New MDB staffed only by young people opens HQ on the African continent
- 2030 – SDGs completed but not fulfilled – new development agenda created, youth institutionalized across all MDBs, increased participation in global politics
- 2028 – Young people start leading MDB projects

- 2026 – ADB gets its first female president
- 2025 – Major youth protests around the world demanding inclusion in political systems, MDBs conduct recruitment drives in rural regions for the first time ever
- 2024 – Significant rural revitalization policy approved, communities not consultants design MDB projects
- 2023 – ADB to go green and completely halt funding for coal and fossil fuel projects
- 2022 – First year without victims of extra-judicial killings, MDBs and governments place focus on youth economy
- 2021 – Global economic recession / depression, establishment of youth departments in MDBs to support economic recovery
- 2020 – BLM demands an end to racism around the world

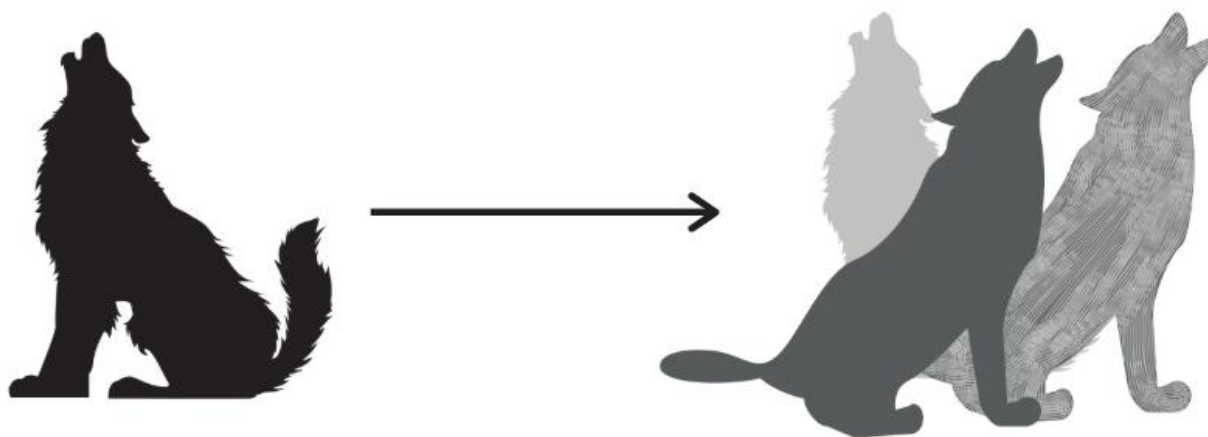
The backcasting activity proved highly effective. After reflection, participants noted that the activity:

...helped me identify the necessary steps or pre-conditions in order to achieve my preferred future. I always have this in mind - think globally, act locally.

### ***Deep Meaning***

Finally, participants were asked to create a supporting metaphor to help cement their learning and give them space for reflection. Some of the metaphors worthy of note were as follows:

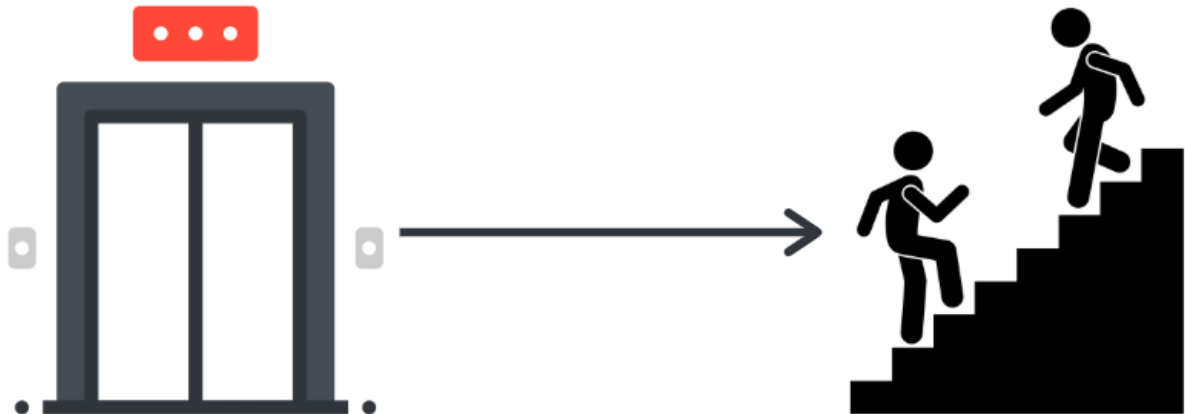
#### ***The Lone Wolf to the Wolf Pack***



**Fig. 8:** Participant metaphor for MDBs shifting from the lone wolf to the wolf pack

The participant arrived at this metaphor based on their belief that certain MDBs and INGOs tend to work in a void and can be somewhat disconnected from each other and from what happens on the ground. To drive sustainable development in 2040, MDBs must not operate in silos. The wolf pack illustrates the evolution towards working more aggressively and collaboratively to solve these challenges, establishing partnerships with other MDBs, with INGOs, the private sector, and civil society.

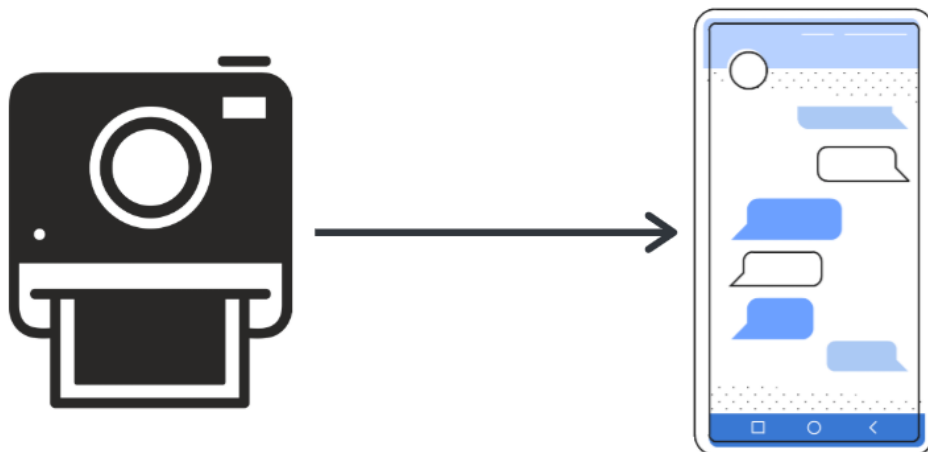


***The Elevator to the Staircase***

**Fig. 9:** Participant metaphor for MDBs shifting from an elevator

The inflexibility and rigidity of MDB bureaucracy could hinder their capacity to respond effectively to the urgent needs of an unpredictable and fast-paced world. One participant used the metaphor of the elevator to describe this challenge:

[MDBs in 2020] are like elevators which "trap" their people into a definite shape that could either go up and down only - minimal flexibility as your choice is only limited to which floor to go. I prefer MDBs in 2040 to be more like set of stairs that have creative forms and allow people to move freely simultaneously, having more choices as they see fit - to either go at the bottom to the communities or apply for a more top-down approach.

***The Polaroid to the Smart Phone***

**Fig. 10:** Participant metaphor for MDBs shifting from a polaroid to a smartphone

Technology and innovation will likely play a significant role in ensuring MDBs become drivers of sustainable development in 2040. Therefore, they will need to be more like a smartphone and less like a polaroid camera. The participant shared:

[I] chose the transformation of the polaroid to the smartphone to denote the role and structures of MDBs currently as somewhat outdated and slow (it takes a while to see the polaroid photo). Whereas I envision MDBs in 2040 as a smartphone to denote its multi-functionality purpose and ability to respond fast.

## Conclusion

To conclude the workshop, participants were asked to share two words that described their feelings during and after the session. Common feedback included a feeling of rejuvenation: “motivated”, “charged up”, “refreshed”. There was also for some a feeling that the workshop had been illuminating: “broadened my perspectives”, “mind blowing”, “curious”. Lastly, a common theme in the feedback was that it increased optimism levels: “the optimism is powerful”, “shared concerns and hope”, “ready for the weekend, thanks!”.

Research into youth futures has frequently found similar values and visions from young people globally, wherein youth exhibit a deep sense of global awareness, a desire for better environmental quality, and their role as a change agent for a better future (Chen, 2020). There was clear convergence on a preferred future for MDBs in 2040, which helped make the workshop a smooth and largely positive experience for all. This was possibly helped by the fact that there were not more diverse stakeholders present in the workshop. There has in the past been pushback from stakeholders both inside and outside the bank against deeper youth engagement in projects, citing concerns around the logistical challenges involved, and or a perceived lack of empirical evidence as to the positive impact of youth engagement on project outcomes. All participants were either advocates of youth engagement, or youth themselves. Had the workshop included stakeholders who were less convinced, the terrain may have been more challenging to traverse. With that said, the results could also have yielded more solutions and ways forward for MDBs and youth to work together towards a shared future.

There was some excitement from members of the YfA team that the Six Pillars approach could provide a framework and a catalyst for meaningful youth engagement in MDB project design and planning in the future. Youth engagement initiatives and programs can often be tokenistic with young people seemingly invited to make up numbers rather than to contribute their ideas and points of view. Futures however offers a fun, challenging, and highly collaborative environment that participants believed young people would thrive in. Next steps include potential inclusion of elements of this report in YfA Strategy 2030, and the integration of futures in upcoming YfA programs.

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