

Remarks by Henrietta Holsman Fore Acting Director of Foreign Assistance and Acting USAID Administrator

A New Consensus in International Development

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Thank you, Simon O'Rourke, and thank you leaders and members of the Chicago Council on Global Affairs and the U.S. Global leadership Campaign for having me here today.

I am encouraged by your attendance and my thanks goes to all of you. You are the thought- and action- leading stakeholders that drive social justice and institutional change. This afternoon I will lay out my initial thoughts. Then I want to know what you think.

Secretary of State Rice, in describing her vision of "American Realism," has said "we achieve our greatest and most enduring goals when we unite power and purpose together."

I have felt this spirit and purpose throughout the global development community. You know what is possible when collective power is driven by experience and commitment.

Priorities

Under President Bush's leadership, the United States has launched the most ambitious development agenda since the Marshall Plan - nearly tripling our foreign assistance in six years.

We have nearly doubled spending in Latin America. We have nearly quadrupled spending in sub-Saharan Africa. With the President's Emergency Plan for AIDS Relief, we lead the world in funding HIV treatment. And, the President's Freedom Agenda has stimulated global debate on freedom and democracy. Relief efforts for the Asian tsunami, the Pakistan earthquake and the Darfur crisis show our nation's strong commitment to providing rapid and sustained assistance to those in immediate need. We are still the largest bilateral donor in the world - public or private.

Our Moment

Today, development is on the world's agenda. When you see it in Vanity Fair Magazine. When you hear about it from rock stars. When the G-8 holds a global summit to make new progress in Africa. You know our moment has arrived. But have we been smart enough? Have we communicated and worked together closely enough to see where and why a program works? Do we capture all of our best practices? Today, I join you to capitalize on this moment - and ensure that our combined efforts are strong, revitalized, and ready for the next phase. For context, let's briefly consider the evolution of foreign assistance over time: The first era in the nineteen fifties and sixties was an era of institutional and infrastructure development. It established the major frameworks, infrastructure, international and bilateral donors, and the financing organizations we all work with today.

The second ERA, in the nineteen seventies, might be thought of as the era of human development - a people-oriented period, which introduced an enormous diversity of innovations in social sectors like education and health.

The nineteen eighties brought new energy and emphasis on private sector development; and the nineteen nineties saw tremendous transitional development, as state-run economies and non-democratic governments in the Soviet Union, Eastern Europe, Latin America and Asia gave way to democracy. Today, we are at the threshold of a new era. And in this new era we are just beginning to create what could be described as a Global Development

Commons.

The Global Development Commons

A Global Development Commons would be a community of continuous and real-time exchange, collaboration, partnership and action between public and private donors, agencies, NGOs, host governments and civil society - all operating as equals. It is a time of great excitement and momentum, with an explosion of ideas, actors and solutions.

While we will continue to build on past advances, the number of players and the complexity of the issues demand that we build a more comprehensive and efficient network of resources, skills and information exchange. Rather than command and control, we must communicate, collaborate, and act - together. A Global Development Commons relies on the interconnections, information institutions, businesses, organizations, governments, sectors and individuals within a country, within a region, and around the world.

The greatest danger to our common cause in development is not the developed world's will to use its power, or its political designs. We find the greatest risk is in our gaps in communication - in a shared understanding of the facts and in intramural competition among well-intentioned offices, agencies, donors and NGOs. This competition undermines morale and commitment, as well as clarity of action, and inflicts a poverty of hope and an abundance of paperwork. I join you today, to make a singular appeal to you - as well as to the larger community of development experts and partners, contractors, entrepreneurs, corporations, foundations, funding organizations, NGOs, and agencies of the federal government - to join me in a new quest.

In this era, so different from that which prompted the Marshall Plan, together we need to seek a New Consensus in international development: a commitment to work together in ways we never have before.

Think of it as a declaration of inter-dependence.

Genuine consultation and increased collaborative efforts within our own community, with civil society and with governments will ultimately make our shared commitment and the network that supports it stronger. To start that conversation, here is a principle I would like to offer. While many of us are devoted to our own businesses, agencies, organizations, regions, or sectors - and we will always need to manage through the complexity of that matrix - I believe we are most successful when we put the host country - its priorities, capacities, norms, and local design - at the center of our collective thought and action.

What I'm hearing from host governments - most recently from President Kufuor of Ghana - is that they want direct access to the world economy. They are interested in trade, not aid. They want all of us - the U. S. government, the business community, and the development community - to help them create coherence out of the chaos of good intentions.

We must be open to new ways of doing business.

I believe that USAID, the State Department, PEPFAR, the Millennium Challenge Corporation, other agencies, and the business world must all operate as part of a Global Development Commons that reaches across to every donor in the world, and up into NGOs and the private sector.

Public- Private Partnerships

USAID is the world leader in engaging the private sector - mobilizing ideas and resources, skills and technologies. To expand our network in the for-profit world, our Global Development Alliance has built more than 500 public-private alliances with over 1,800 partners - using \$1.4 billion of the people's money to leverage \$4.8 billion in private money, and leveraging thousands of people in the process.

I'm proud to announce that USAID is about to sign a global memorandum of understanding with the Microsoft Corporation. International development and technology are rapidly converging. You'll soon hear more about how and where Microsoft and USAID are going to be working together around the world. This week I also met with John Chambers of CISCO with whom we have helped launch a profound technological partnership with their global networking academies which are bringing education and economic opportunity to children and young adults throughout the developing world. We are committed to using technology to improve, leverage and deepen aid

effectiveness. At USAID we know it works and we are leading the U.S. Government's resolve to make partnerships a bigger part of the U.S. assistance package.

Execution

Now, let's talk about execution. Over the past 60 years we have deepened our knowledge about the enormous power of economic growth to improve people's lives. But do we use our knowledge effectively enough to be the power for global prosperity and stability?

More recently, we've added new knowledge about the impact of education, the environment, energy, health, and women in society. But do we apply and disseminate our knowledge enough?

I'm committed to bringing clarity to complexity through technology - because technology is a tool that facilitates insight and networking. We must begin a sustained effort to make all aspects of U.S. assistance work over the web, so the host country and all of the players can see the whole - not just the distinct parts - and they can see their role and opportunities in it.

We will marshal resources to build Development Net - a database and website to let the host country and all stakeholders see the whole picture. We need a country-centric base of information and a trading exchange - that lets public and private partnerships and foundation donors look at potential projects by country or by type of program - and helps host governments and delivery teams drive efficiency and reduce redundancy.

We need to make this data asset available, and link it with some of the excellent portals and networking sites already being built by groups like the Development Gateway Foundation and the Development Executive Group.

And from an overall execution perspective, the American people and the international community who trust us with their money want to know that our work delivers results - that it changes the world.

I want to engage with you to identify and apply high-quality outcome measures - so that we can more quickly adjust programs to ensure we achieve results. USAID was the first agency to require systematic evaluations of its projects and programs. We're going to emphasize that discipline with the useful purpose of sharing the best practices and then investing more resources to scale up best practices.

I am committed to:

One: Rebuilding a revitalized diverse and skilled USAID workforce. We need to ensure our staff has 21st Century skills and the ability to use 21st Century tools to advance our development mission. We want people who have world-class policy skills, technical skills, public diplomacy skills, and yes, procurement skills.

And,

Two: Asserting USAID's leadership in development. To that end, I will chair the U.S. government's inter-agency Development Policy Coordinating Committee. The USAID Office of Development Partners will be strengthened to engage with a broad spectrum of partners, from the bilateral and multilateral donors to the NGOs, to the private sector and foundations.

We need more communication about what our foreign assistance does to help U.S. interests around the world and its critical role in fighting poverty and promoting economic growth. We also need more focused forums on the promise and results of public-private partnerships.

And we will improve our outreach. The story of the generosity of the people of the United States must be told, domestically and internationally. We need to brand all U.S. foreign assistance as being "From the American People." And we need your help specifically.

Call to Action

Today, and over the next sixteen months, I would like to ask you to join me in forging a New Consensus about the

future of international development. If, as I believe, we are entering a new era of international development, a Global Development Commons where the connections between businesses, organizations, and resources matter more than ever, an era when we need tolerant information, ideas, technology, and public-private partnerships to spur innovation and deliver results, when host countries must be at the center of our collective thought and action. If you accept my invitation, I pledge to be inclusive and earnest in building this new consensus. You'll find me a great collaborator - and we couldn't ask for a better sponsor or more powerful advocate than Secretary Rice.

To our many shared stakeholders, I would suggest that we put at least as much energy into communicating what unites us as declaring our differences and inevitable shortcomings. For there is one thing of which I am absolutely certain: *A New Consensus* will only emerge if - together - we seek it.

Thank you for your attention. Now, let me know what you think.