Development:

White House Hosts Summit on International Development

Remarks by USAID Administrator Fore, October 1, 2008[1]

Administrator Henrietta Fore delivered these remarks in Arlington, VA

Administrator Fore. Secretary Gates, Admiral Mullen, General Ward, secretaries, members of the diplomatic corps, members of the military services, and colleagues from the foreign assistance community, and Congressman Meeks—particularly good to see you: I am delighted to be here with you today and to represent the United States Agency for International Development (USAID) and the Department of State on this historic occasion.

On behalf of all of my colleagues, I wish to congratulate AFRICOM on reaching Unified Command status. We look forward to working closely with you as you carry out your new and vital mission.

Secretary Gates has spoken powerfully and eloquently on many occasions about the need for the United States to enhance its non-military as well as military instruments of national power in service of our foreign policy objectives. The Department of State and USAID are proud to play their respective primary roles in diplomacy and development.

All three agencies can take pride in our collective track record and accomplishments in delivering humanitarian assistance, advancing peace and security, promoting the rule of law and good governance, investing in the well-being of Africa's people in times of crisis and in times of peace, and spurring economic growth on the continent.

The Department of Defense, through AFRICOM, focuses on supporting military professionalization and military capacity building to enhance the ability of our African partner nations to manage their own security, thereby enhancing their development prospects. In fact, we welcome AFRICOM's innovative and integrated commend structure.

The State Department will ensure that AFRICOM's activities are coordinated by our Ambassadors. Such coordination will make certain that foreign policy priorities are met, complementarity between all USG programs and activities is maintained, and overall effectiveness is maximized.

This is the embodiment of the 3 D's—diplomacy, development and defense—in the national security strategy.

Just as Secretary Gates sees development as crucial to the success of the overall mission of the Defense Department, USAID and State, in turn, recognize how fundamental security is to the success of our respective missions. The link between security and development is clear throughout sub-Saharan Africa. With improved security, Liberia and Rwanda, for example, are beginning to experience sound economic growth, better living conditions, and improved governance following years of devastating armed conflict.

To strengthen coordination with AFRICOM and ensure that DoD activities in Africa support U.S. foreign policy priorities, Ambassador Mary Yates, one of the State Department's most distinguished Africanists, and two additional senior-level Foreign Service Officers have contributed their considerable expertise to AFRICOM.

USAID is strengthening its coordination with the Defense Department, through our Office of Military Affairs, established in 2005. Military liaison officers from each of the geographic Combatant Commands and the Special Operations Command are assigned to USAID and likewise, USAID Senior Development Officers are assigned to the Pentagon and to the geographic commands. To AFRICOM, we are assigning five officers, including two of our most senior, Mr. Ray Kirkland and Mr. Carl Rahmaan.

This marks a real change from the way things were just a few short years ago-and signals a clear change within our organizational culture.

Our people are working side by side. Let me give you two examples of how this evolving partnership can work. In a time of national disaster, AFRICOM will be relied upon to provide logistical support. Working with African governments and our NGO partners, in towns and villages, we identify the needs of vulnerable populations for humanitarian assistance. We call upon our military to provide lift capacity and support to reach the people. We in USAID are the hub, coordinating with our NGOs, the host country government and the military. This proved to be an effective model during the flooding in Kenya in 2007, and Mozambique in 2000.

As another example, we are all concerned and preparing for responses that would be needed in the event of a pandemic of avian influenza. AFRICOM and the U.S military's Pacific Command (PACOM) will focus on linking military-to-military initiatives, recognizing the important role that national militaries are likely to play.

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We strongly support AFRICOM's mission focus on military-to-military security cooperation, an area of engagement the State Department and USAID believe will maximize the Command's added value to U.S. Government combined efforts in Africa.

We expect AFRICOM to substantially contribute to African defense sector reform and to build African partner capacities in peacekeeping, coastal and border security, and counterterrorism.

We look forward to this evolving relationship, the central point of which must be clear—-that security, stability and peace are essential for the quality of human life…and essential for development. We know well that the conditions for economic growth and poverty reduction are a secure, stable, and appropriately governed environment.

Paul Collier of Oxford University has famously estimated that the cost of a single war in a low-income country is around $64 billion. Multiplying this across the 21 countries in Africa that have experienced armed conflict over the past 25 years gives you an idea of how absolutely devastating conflict is to national, regional and local economies. Although an average conflict lasts seven years, it will take a country a full seventeen years to return to its pre-conflict GDP growth rates. Conflict is an impediment to development and to families and nations building their future.

During my travels as Director of US Foreign Assistance and USAID Administrator, I have seen firsthand the terrible toll that conflict takes on peoples' lives. In Gulu in Northern Uganda, all livelihoods in agriculture and small commerce had ceased, as farmers and business people left out of fear. In Goma, DCR, women and children bear the greatest burden. You see the hospitals filled with women who have been raped, and children maimed. In Darfur, we are feeding three million people a day, people who are displaced by conflict. In Liberia, , there are still many adults who are not literate, as the schools closed with the conflict. But, with peace, it is a time of hope.

To our African friends and partners in the audience, I want to reiterate the U.S. Government's commitment to supporting your plans for your countries. We have long and fruitful ties with your nations, and I am here today in part to reiterate that commitment to you, as well as give the support of the American people to your continued progress.

Again, you have not only my best wishes today, General Ward, as you take command, but my commitment to strengthening the relationship between AFRICOM, the State Department, and USAID in the future.

Thank you.

Press Release from the U.S. Agency for International Development, October 10, 2008[2]

The U.S. Agency for International Development (USAID) has awarded CARE more than $2.8 million to help fight the harmful practice of child marriage and to prevent violence against women in two countries in South Asia. CARE will work with several local partners, as well as community leaders and peer educators, in order to help change the mindset and traditional practices of communities in this region.

CARE Nepal will receive nearly $1.5 million for a three-year project that aims to transform community traditions of child marriage through educational and behavioral change campaigns. The initiative will also advocate for the establishment and enforcement of laws and policies that address child marriage and other forms of gender-based violence.

CARE Bangladesh is receiving more than $1.3 million for a similar three-year program designed to help prevent violence against women. The initiative focuses on increasing understanding about the negative effects that violence, early marriage, dowry, and polygamy have on the development process in Bangladesh. Educational and behavioral change campaigns, as well as efforts to influence national policy, will be part of the program.

Press Release from the Millennium Challenge Corporation, October 10, 2008[3]

MCC and the Ministry of Foreign Affairs of Denmark Sign Memorandum of Understanding

The Millennium Challenge Corporation (MCC) and the Ministry of Foreign Affairs (MFA) of the government of Denmark today signed a Memorandum of Understanding (MOU) to increase cooperation between MCC and the MFA. The MOU, which was signed by MCC CEO Ambassador John Danilovich and Danish Minister for Development Cooperation Ulla Tørnæs, reinforces their current foreign assistance cooperation and opens new avenues for making assistance more effective in line with the Paris Declaration on Aid Effectiveness. The MOU emphasizes MCC and the MFA's shared goals of helping developing countries to reduce poverty, increase growth and improve the lives of their people. The MOU underscores the central role of partner country ownership and underlines support for partner country efforts to reach their own development objectives and the Millennium Development Goals (MDGs).

Through the MOU, MCC and the MFA look to increase coordination in countries in which they are both working, such as Benin, Burkina Faso, Ghana, Mali, Mozambique, Nicaragua, and Tanzania. The MOU envisions cooperation in several priority areas including: climate change, gender, impact evaluation, policy environments, and the private sector.

"The MOU we sign today will allow us to share important lessons learned as we continue our mission to fight poverty worldwide," said Ambassador Danilovich. "MCC is happy to team with Minister Tørnæs and the Ministry of Foreign Affairs of the government of Denmark. We look forward to advancing our common objective to better the lives of the world's poor," Ambassador Danilovich added.

Key elements of the MOU:

* MCC and the MFA will support collaboration and share early lessons, best

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practices and operational tools on climate change and gender equality and their integration into partner country programs to achieve sustainable economic growth.

* Each side will work toward identifying opportunities for private sector and partner country program cooperation. MCC and the MFA will look to share analysis and information on programs that enhance their support for private sector development and on potential opportunities for complementary investments, particularly in the area of agribusiness. Furthermore, both will look to identify opportunities that enhance their relationship bilaterally, as well as inside formal donor and partner country programs.

* MCC and the MFA will make available information on indicators used in assessing country performance and the methodology used for country eligibility. Future policy environment cooperation could focus on knowledge sharing in connection with how to collect information and publish results of efforts undertaken.

* Finally, both MCC and the MFA will seek to share their knowledge resources regarding impact evaluation strategies, methodologies, and studies.

Remarks by Secretary of the Treasury Paulson, October 12, 2008[4]

Secretary Henry Paulson delivered these remarks in Washington, DC

Secretary Paulson. We meet at a time when the global economic environment is undergoing the most serious stresses in recent memory. Financial market developments are having an acute impact on advanced economies, and we can expect the crisis to have major ramifications for emerging markets and the poorest countries as well. These events will test the ability of the World Bank and the IMF to respond effectively, and it is imperative that they stand ready to deploy their resources to mitigate the impact of this crisis, especially on the poorest and most vulnerable.

Just a few months ago, we focused on the vital role of the international community in responding swiftly to the challenges posed by the large increase in food and fuel prices. The response was gratifying, with bilateral and multilateral donors committing substantial amounts of new assistance, and I commend President Zoellick for leadership in helping coordinate a timely international response.

Now, these same countries are likely to face a host of new pressures stemming from declines in export demand, private investment and remittances. Emerging markets, too, are likely to face difficulty accessing private capital necessary to finance critical priorities, such as infrastructure.

The World Bank Group is well positioned to help respond to these challenges by maintaining or expanding trade lines, taking measures to maintain well-functioning domestic financial systems, and ensuring efficient, well-targeted social safety-net programs. And the role of the IFC may become especially critical in helping to unlock credit.

Across the globe, policymakers will be faced with difficult choices. As with the food price crisis, isolationism and protectionism will not offer a way out. Although we in the United States are taking many extraordinary measures to ease the crisis, we are not pursuing policies that that would limit the flows of goods, services or capital, as such measures which would only intensify the risks of a prolonged crisis. The World Bank and IMF will have a vital role in working with governments to help craft appropriate responses and discouraging inward-looking policies, and we look to their leadership in this critical area.

The next year will be a critical one for the Bank on issues of environment and climate change as we move toward a climate agreement in Copenhagen. The United States supports the Bank's increasing focus on climate change as it is clear that the issue must be addressed in the context of development financing. We welcome the inaugural meetings of the Climate Investment Funds, including the Clean Technology Fund and the Strategic Climate Fund. These funds will provide critical support to developing countries to help integrate climate mitigation and adaptation activities into their national development plans. We encourage other World Bank members to support these Funds. We welcome the World Bank's Strategic Framework for Development and Climate Change and call on the Bank and its sister agencies to continue their important partnership with the Global Environment Facility.

The next year will be a critical one for the Bank on issues of environment and climate change as we move toward a climate agreement in Copenhagen.

We welcome the proposed reform package that will enhance the voice and vote of the poorest member countries, especially in Africa. The comprehensive options presented to Governors, including an additional Board representative for sub-Saharan Africa, send a strong message of our commitment to the Bank as a multilateral institution. We also welcome the commitment to continued governance reforms with the aim of increasing accountability to all shareholders. With progress on this important issue the Bank can focus on its core missions.

Press Release from the U.S. Agency for International Development, October 12, 2008[5]

U.S. Agency for International Development (USAID) Administrator and Director of U.S. Foreign Assistance Henrietta Fore participated in consultative discussions at the World Bank's annual meetings today and announced the Agency's commitment to partner with the World Bank to develop ways to better mobilize the African Diaspora in order to strengthen the continent's own development efforts. An initial agreement will involve a business competition, Development Marketplace for the African

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Diaspora in the Americas (DMADA), which will offer various investment and business development support tools to African Diaspora entrepreneurs. Participating in the discussions were officials from the World Bank, representatives from several African governments, members of the African Union and other donor partners.

The discussion featured an exchange of views and experiences on Diaspora engagement activities and Administrator Fore highlighted USAID's flagship Diaspora Networks Alliance (DNA) framework and its ability to facilitate partnerships between USAID and Diaspora communities around the world and other partners through knowledge development, engagement, and operational work with the purpose of promoting economic and social growth in the countries of origin.

"USAID is very proud to partner with the World Bank on the DMADA competition to promote entrepreneurship in Africa. This Marketplace is a natural extension of our current partnership with the African Development Bank on the African Entrepreneurship Facility," said Fore. "In light of the current global credit crisis, the Marketplace will play a critical role in providing much-needed access to credit, business development support, and other technical assistance to Diaspora entrepreneurs who want to invest in Africa."

Press Release from the Millennium Challenge Corporation, October 15, 2008[6]

Millennium Challenge Corporation (MCC) Deputy CEO Rodney Bent, Rwandan Minister of Finance James Musoni and Acting Deputy Administrator of the U.S. Agency for International Development (USAID) James Kunder officiated at a ceremony on Capitol Hill celebrating the signing of a $24.7 million MCC threshold program with the government of Rwanda. The program, which focuses on improving political rights, civil liberties, civic participation and government accountability in the country, is designed to complement and reinforce Rwanda's own reform efforts and to improve Rwanda's performance on MCC's eligibility indicators. U.S. Ambassador to Rwanda Stuart Symington, former U.S. Ambassador to Rwanda Michael Arietti, Rwandan Ambassador James Kimonyo, Goodworks International Chairman Andrew Young and former Congressman and German Marshall Fund Senior Transatlantic Fellow Jim Kolbe also participated during the ceremony.

"MCC congratulates the government and people of Rwanda for developing a threshold program devoted to supporting a more effective and transparent government and an active civil society," said MCC Deputy CEO Rodney Bent. "Fostering an environment that supports citizens' rights and liberties is a critical factor in sustainable development. Reinforcing community development and activity not only strengthens the voice of citizens but contributes to sustainable social and economic development. MCC looks forward to partnering with Rwanda in implementing this threshold program," Mr. Bent added.

Press Release from the Millennium Challenge Corporation, October 17, 2008[7]

At a ceremony today in Tirana, Albanian Minister of Finance Ridvan Bode and Millennium Challenge Corporation (MCC) Deputy Vice President for Policy and International Relations Sherri Kraham officiated at a ceremony celebrating the signing of Albania's second MCC threshold program worth over $15.7 million. This second, or Stage II, program builds upon the significant successes of MCC's first threshold program with Albania and looks to institutionalize key reforms in public administration and judicial capacity building and to support anticorruption activities. Albania's Prime Minister Sali Berisha, United States Ambassador to Albania John Withers and United States Agency for International Development Mission Director Roberta Mahoney also participated in the ceremony.

"It is a great pleasure to celebrate progress underway here in Albania, as we mark the successes of Albania's first threshold program and the start of its second," stated Ms. Kraham. "MCC is proud to sign its first Stage II program with the government of Albania and looks forward to creating a strong foundation for fighting poverty and stimulating economic growth," Ms. Kraham added.

Remarks by Ambassador Danilovich, October 20, 2008[8]

Ambassador John Danilovich delivered these remarks in Geneva, Switzerland

Ambassador Danilovich. Thank you very much, Ralph. It's great to see you again.

It is a true honor for me, for the second time, to be invited to speak at the Conrad N. Hilton Humanitarian Prize event. I am grateful that you have allowed me—and the Millennium Challenge Corporation—to be a small part of the great work the Hilton Foundation is doing around the world. So, I would like to particularly thank you, Steve, Greg, Hawley, and Jim, for this honor.

It's a pleasure to join you this morning, and I appreciate the invitation to participate in this important discussion on ending the plight of global poverty.

In our societies of plenty—amidst the comforts of more-than-enough—we recognize the tremendous constraints billions across the planet face as poverty robs them of:

* economic opportunity,
* health,
* education,
* access to basic services,
* and a productive future.

And, we recognize that poverty anywhere is a threat to prosperity everywhere. We here today are a vital part of the discussion and debate as to how best to confront and defeat global poverty.

I have the enormous privilege of work-

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ing with 300 of the best and brightest minds in development at the Millennium Challenge Corporation headquarters in Washington. At MCC, our values are not left at the door when we come to work. They are brought into the workplace, and it is the quest to end global poverty and sustain development that motivates us all to do our work each day. And, because of Professor Paul Collier's groundbreaking book, the bottom billion also comes to work with us each day as well. It's a crowded office!

Joking aside, they are in our consciousness; they help mold our thinking and determine our practices. Nongovernment organizations and civil society organizations—and a symposium like this, with participants like you—remind us emphatically not only of the moral imperative to reach out to the world's poorest, but also of the disastrous consequences of failing to do so. "A cesspool of misery next to a world of growing prosperity is both terrible for those in the cesspool and dangerous for those who live next to it," writes Professor Collier. This is the reality we cannot turn our backs on.

In describing how:
* conflict,
* the politics of natural resources,
* geography,
* and bad governance

trap the bottom billion in poverty, Professor Collier's book raises our awareness and better informs our actions to empower the poor to break free of these traps. He gives the bottom billion a voice—the voice we hear calling and challenging us to:
* change our assumptions,
* change our strategies,
* and change our conversation about how to end poverty.

I am honored to be part of the discussion because the work of the Millennium Challenge Corporation shows me every day—in concrete ways—that we can make—and are making—a difference in the fight against poverty. Since its creation in 2004 as the U.S. Government's signature development assistance program, the Millennium Challenge Corporation has been changing the lives of the poor in ways that matter. MCC awards grants—not loans—to poor countries worldwide to achieve one mission: poverty reduction through sustainable economic growth. As Professor Collier states, "We cannot make poverty history unless countries of the bottom billion start to grow..."

When I addressed this symposium two years ago, I spoke about our innovative model; now I can point to the results that our innovative model is making possible around the world. Your faith in MCC's new approach to development has been well-placed, and today I am pleased to report to you of the progress underway, of how the lives of the poor are improving. I have seen for myself how our MCC partner countries are using our grants to:
* issue land titles,
* increase farmer incomes through better agriculture techniques and programs,
* create jobs,
* increase market access,
* strengthen small-scale fisheries and artisan training,
* open health clinics,
* alleviate HIV/AIDS and other diseases,
* build and operate "girl-friendly" schools,
* facilitate vocational training,
* strengthen financial services and access to credit,
* expand water and sanitation services,
* and improve infrastructure—from roads to bridges to ports.

It is a great source of satisfaction to witness how a new approach to U.S. development assistance—administered through MCC—is easing the burden of poverty for so many families and communities.

We see this with Justine in Madagascar. Supported by MCC's land reform program, Justine secured clear, legal title to her land. With that, she went to work leveraging her assets. She used two of her parcels as collateral for a $500 microloan, which she invested in her potato farm. The tenure security on another plot of land gave her the confidence to invest in constructing a small house that she now rents. Such rental income has been enough to pay for her children's school fees and to purchase oxen that the family uses to transport their crops to market. Justine, her husband, and her four children are living a more secure life in Madagascar.

We see this with sesame seed producers in Nicaragua. Benefitting from business development training they received through MCC, these farmers saw, on average, a 130 percent increase in their income from the previous harvest's income on land where they applied MCC's technical assistance and access-to-market support.

We see this among the girls attending school in Burkina Faso. Working closely with the:
* United States Agency for International Development,
* the Burkinabe government,
* and international and local NGOs,

MCC is proud of our 132 "girl-friendly" schools, where nearly 19,000 children—12,000 of whom are girls—learned:
* reading,
* writing,
* and arithmetic

during the last academic year. Improving the literacy and math skills of girls gives them greater employment opportunities in the long run, empowering them to lift themselves out of poverty. When I visited these schools last year, I encouraged Burkina Faso's commitment to double the capacity of these schools as a part of their compact, which we signed this past July.

Our partner countries are buzzing with the implementation activity of putting their MCC grants to work—activity that is multiplying every day. Projects implemented by our MCC partner countries have already resulted in more than 48,000 farmers being trained and more than 3,000 hectares of land under production so far. More than 3,000 kilometers of roads are under design. More than 600 kilometers of irrigation canals are being built.

To date, MCC has committed over $6.7 billion to 35 countries worldwide to fund country-sourced programs to fight poverty through growth. Over $6.3 billion of this total has been awarded to 18 countries in:
* Africa,
* Central America,
* Eurasia,
* and the Pacific

that have passed our "good government" eligibility criteria to qualify for our sizable, five-year grants we call compacts. The remainder—in smaller grants—has been awarded through MCC's threshold program to countries that come close to

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passing and are firmly committed to improving their performance on our eligibility criteria.

There is a growing debate in Washington over the next administration's need to overhaul the U.S. foreign aid system. Now, how our MCC grants are awarded and delivered has provided a working template—a sort of action plan—for changing the conversation about aid to reach the tipping point in the fight against poverty. Aid is very much part of the solution, and I would like to concentrate my remaining remarks on this aspect of Professor Collier's thesis.

As the professor explained in a Washington Post opinion piece, "aid will probably be…as important to helping the bottom billion as it was to saving postwar Europe: part of the solution but not decisive. Our utter neglect of trade, security, and governance policies for the bottom billion is a scandal—and an opportunity. Properly used, these policies have real power…."

At MCC, we agree that the real power of aid lies in creating powerful incentives for:

* reforming policies,
* strengthening good governance,
* opening markets,
* and promoting security and stability.
* That's why Mali and Benin have undertaken significant land reforms to maximize the benefits of their MCC grants.
* That's why Madagascar has reduced the minimum capital requirement to start a new business.
* That's why El Salvador has reduced the number of days required to start a business.

Many experts agree on development assistance's powerful role as a catalyst for change. As part of this template for change, MCC's approach demands five of the very ingredients we believe are essential for countries in the bottom billion to effectively change and pull their people out of poverty.

First, MCC's approach demands sound policy performance. We use 17 policy indicators taken from independent, third-party sources to measure a country's commitment to:

* good governance,
* economic freedoms,
* and investments in education and health.

Our partners are making great efforts to:

* respect the rule of law,
* create a business-friendly environment,
* enforce contracts,
* protect intellectual property rights,
* and safeguard land rights.

MCC's mandate focuses only on those countries where our assistance can make the greatest difference because, as Professor Collier points out, "aid [is] not very effective at raising growth in the conditions of poor governance and policies that typif[y] the bottom billion."

Second, MCC's approach fights corruption. We only partner with those counties that pass our control of corruption indicator. This strong position against corruption encourages countries to take on the difficult work of building a culture of transparency and accountability.

Third, MCC's approach empowers partner countries. We provide funding and technical support, but we expect our partners to:

* develop their own proposals,
* implement their own programs,
* and benefit from leading their own economic development efforts.

This motivates our partners to reform their policies as critical steps for sustaining their development and to build their capabilities to do more for themselves. Local capacity building that strengthens local skills and know-how is part of what Professor Collier refers to as "intelligent aid."

Fourth, MCC's groundbreaking gender policy demands the inclusion of women in development. We ask countries to consult extensively with their citizens—from the:

* private sector,
* to NGOs,
* to civil society groups—

and outline their priorities for overcoming barriers to poverty reduction and growth. This:

* meaningful,
* participatory,
* citizen-driven,
* consultative process

—what Professor Collier calls "local efforts at change"—must include the participation of women. This is not only our policy but also common sense: A development strategy that ignores half of its citizens is, by definition, doomed to fail.

And, fifth, MCC's approach promotes entrepreneurship. Our goal is to have our aid augmented and eventually replaced by the self-sustaining economic activity driven by the private sector. Because we demand performance on indicators evaluating:

* fiscal,
* monetary,
* regulatory,
* and commercial factors, including the costs and days required to start a business,

we foster conditions that:

* promote local entrepreneurship,
* attract investment capital,
* and expand commerce and trade.

Madagascar, for example, MCC's first compact partner, adopted trade liberalization reforms as a priority for both stamping out corruption and stimulating growth.

Our partner countries—among the world's poorest—are examples to the bottom billion of what is possible through meaningful reform. As the real leaders of their own development, our partners are responding to MCC's bold approach, one that expects more of us who are providing the assistance and expects more from those who are receiving it. Though it is challenging and demanding, we see partner countries adopting MCC's way:

* by embracing ongoing reforms to retain and maximize MCC funding;
* by fighting corruption;
* by engaging all segments of their societies—including women—to define development priorities and implement action toward them;
* by building their capacity to fight poverty;
* and by working to promote healthy business climates so that trade and private enterprise can serve as the ultimate engines of long-term economic growth.

This process for realizing results is as important as the results themselves. At MCC, we share Professor Collier's assessment that "aid alone is really unlikely…to address the problems of the bottom billion." But, how aid is delivered will, in fact, stimulate the very conditions that will empower countries to grow in sus-

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tainable, country-driven ways. And, this will have an impact. Growth remains the single most important factor in poverty reduction; we know that economic growth has accounted for 80 percent of global poverty reduction since 1980.

* We can't have growth if corruption persists.

* We can't have growth if a country receives a hand-out as opposed to a hand-up in fulfilling its vision for its development.

* We can't have growth if women and girls are excluded from the productive lives of their communities.

* We can't have growth if the enterprising ingenuity and innovation of the private sector aren't part of the solution.

To reach the bottom billion means using development assistance not as a panacea but as a pathway to effect the change necessary for countries to grow. MCC's assistance provides such a pathway—not just by raising the bar on what countries must do to qualify for our aid in the first place, but also by altogether changing the expectations. The future of development assistance—and the debate about how best to make it most effective—hinges on rethinking aid's role and responsibilities. At MCC—with our eye on the bottom billion—we will continue contributing to this vital debate.

I am proud of the solution to global poverty the Millennium Challenge Corporation offers. It is a solution that is working, and working well—as the incomes of enterprising farmers increase as they expand into new markets, or as the businesses of women entrepreneurs grow through their ability to access credit. The MCC solution is grounded in:

* sound policy performance,

* country empowerment and partnership,

* aid with accountability,

* and results-based assistance.

And, it is a solution that countries themselves are embracing, with pride, as they pursue economic opportunity and growth that will, once and for all, replace poverty with prosperity for their citizens in sustainable and meaningful ways.

Thank you again for this opportunity to talk to you about the role the Millennium Challenge Corporation is playing to help end global poverty in countries home to some of world's bottom billion, and I very much welcome our discussion here today. Thank you.

Press Release from the U.S. Trade and Development Agency, October 20, 2008[9]

Increasing the reliability and accessibility of electricity in Nigeria is the goal of a USTDA grant awarded to the Office of the Governor of the State of Adamawa in northeastern Nigeria. The grant will fund an assessment of the viability of constructing a 35 megawatt hydroelectric power plant at the existing Kiri Dam site, located on the Gongola River in Adamawa State. The signing of the $467,000 grant agreement was announced on October 17, 2008, by U.S. Ambassador to Nigeria Robin Renée Sanders and Governor Murtala Nyako of the State of Adamawa.

The State of Adamawa is committed to addressing its critical power needs. Currently, Adamawa relies on the national grid for its main source of power. The delivery of power via the national grid is fragile, however, and often leaves power recipients in the state's capital city, Yola, and surrounding areas vulnerable to power outages. Diesel-fueled backup generators are used sporadically in Yola, but fuel supplies have become prohibitively expensive.

To address the need for locally produced power, a hydroelectric power plant has been proposed at the Kiri Dam site, and is one of the state's highest priorities. The USTDA grant awarded will support this priority by analyzing the feasibility of building the proposed power plant. The study will cover the construction of the plant, the transmission line to the national grid, and an independent transmission line from the plant to Yola.

Remarks by President Bush, October 21, 2008[10]

President George W. Bush delivered these remarks in Washington, DC

President Bush. Thank you, all. Madam President. Madam President I could not think of anybody better to give me dancing lessons than you. We love you. I love your spirit. I love your leadership. I love the example you set for leaders all across the globe. And it's an honor to be here with you.

And it's an honor to be here with you all. I welcome you to the White House Summit on International Development. It's a summit to herald the outstanding work being done to lift up souls in need. I appreciate the fact that folks in this room represent thousands that are replacing disease with health, dependency with self-reliance, and despair with hope.

The people gathered here come from different countries—I see we represent different professions—but we're united by our commitment to charting a new era in development. Today I'm going to talk with you about this new philosophy, about the way it's transforming countries and saving lives, and about why it's essential to continue in the years ahead.

Before I do so, I want to recognize not only the President, but her son, Robert. I suspect your mother tells you what to do like my mother tells me what to do. As a matter of fact, your mother tells me what to do. Welcome.

Congressman Donald Payne, we're sure proud you're here; thank you, Mr. Chairman, for coming. Much of the success of the programs we've implemented are due to, one, the generosity of the American people, but also the fine group of people that are implementers: Henrietta Fore, the Administrator of USAID; Rob Mosbacher, President and CEO of OPIC; Ambassador John Danilovich, Millennium Challenge Corporation CEO; Ambassador Mark Dybul, U.S. Global AIDS Coordinator; Rear Admiral Tim Ziemer, U.S. Malaria Coordinator. Thank you all for being leaders.

The second choice to introduce me was Bob Geldof, musician. Of course, he'd have got up and said, I saw him try to sing

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while in Africa. I've come to really appreciate Bob Geldof. He is a genuine person who has used his fame to help others in need, and it is a—it's been a joy to work with you. You know, you and I might look differently, but I think we share the same compassion and the same hopes. And thank you for joining us today.

I want to thank the panelists who have participated in this conference. I do want to welcome members of the Diplomatic Corps; thank you all for coming by today.

You know, we meet today in the middle of a serious global financial crisis. Over the past few weeks, we have seen how the world's economies are more interconnected than ever before. The crisis is having a major impact on working people all over the world—including many in developing nations.

During times of economic crisis, some may be tempted to turn inward—focusing on our problems here at home, while ignoring our interests around the world. This would be a serious mistake. America is committed—and America must stay committed—to international development for reasons that remain true regardless of the ebb and flow of the markets. We believe that development is in America's security interests. We face an enemy that can't stand freedom. And the only way they can recruit to their hateful ideology is by exploiting despair—and the best way to respond is to spread hope.

We believe that we ought to remain committed to development because it's in our long-term economic interests. When America helps developing nations rise out of poverty, we create new markets for our goods and services, and better jobs for American workers. And we're committed to development because it's in our moral interests. I strongly believe in the timeless truth: To whom much is given, much is required. We are a blessed nation and I believe we have a duty to help those less fortunate around the world. We believe that power to save lives comes with the obligation to use it. And I believe our nation is better when we help people fight hunger and disease and illiteracy.

For all of these reasons, this administration has made international development one of our biggest priorities. As the President mentioned, we've worked with partner nations—as well as the World Bank, and the IMF, and the African Development Bank, and the Inter-American Development Bank—to relieve tens of billions of dollars in debt from some of the world's poorest nations. By relieving crushing debt burdens, it gives people hope. We've also worked with wealthier nations to provide aid in the form of grants instead of loans. For the past eight years, the United States has provided more foreign assistance than at any time in the past half century.

We're using this aid to foster sustainable economic growth, and promote good governance, and advance a model of true partnership that gives poor nations a real stake in their own development. We're encouraging volunteer organizations, local charities, and the faith community to take on an even greater role—because we strongly believe that they offer a compassion that no government can offer. Most of all, we're insisting on accountability in return for our assistance, so we can assure that our generosity leads to measurable results. You know, for too long, foreign aid was designed to make us feel good. Now, we're ensuring that our resources do good.

This new approach to development is embodied by a revolutionary initiative called the Millennium Challenge Account. See, this program says that the United States will help. But we expect countries that we help to fight corruption and to govern justly. There's nothing more pitiful than to have people's hopes robbed by corrupt government officials. We say to those we want to help support, open markets to trade and investment, and above all, invest in your people's health and education. You see, by tying our aid to these policies, we are encouraging developing nations to make tough economic and political and social reforms. We encourage leaders to respect their citizens, uphold human dignity, and work to earn the trust of their people. This approach is based on a clear conviction: People in the developing world have the capacity to improve their own lives—and they will rise to meet high standards.

I refuse to accept the development model that says, oh, these people are doomed forever; let's just throw money at the problem. We believe that if you set high standards, good people will rise to meet those standards, regardless of where they live in the world. So the Millennium Challenge Account is a robust program that has invested $6.7 billion in 35 countries around the world. From Albania, to Moldova, to Indonesia, to Mongolia, to Paraguay, to Peru, these partnerships are helping developing nations take charge of their future—and more importantly, unleash the talents of their people.

For example, this February President Kikwete of Tanzania and I signed a five-year, nearly $700 million compact to improve the country's transportation, energy, and water supply. It's pretty basic needs, isn't it? Transportation, energy and water supply. The partnership will build roads that connect rural Tanzanians to markets and schools and health clinics. It's hard to have a modern society if you can't get your product from rural to urban—urban centers in your country. It's hard to get doctors to help people in the rural part of the country if you don't have roads to connect health care clinics to those in need. It's going to extend electricity to homes and businesses in some of the most remote areas of the country. It will increase access to clean drinking water, which will help reduce preventable diseases, especially in young children. Through these projects, the Millennium Challenge compact is helping Tanzania build a foundation for success in the 21st century—and showing the promise of a new era in development.

In the new era of development, America and our partners are helping to meet basic human needs like food and clean water. There's nothing more basic than food and clean water. Since 2002, the United States has provided more than $16 billion in food assistance—helping to ensure that tens of millions of people around the world do not go hungry. In response to the current global food crisis, we've committed $5.5 billion to address global hunger over the next two years. And that's important. These are stopgap measures. The American people care when they hear people are going hungry around the world. And I want to thank the American people for their generosity.

But as we work to resolve the crisis in the long run, we have got to find better

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solutions for global hunger in the long-term. In the short run we're helping; in the long term, we're developing a strategy and working with partners to help them grow their own food. There's no other way to put it. The best long-term policy for the United States is to help nations develop their own agricultural industry, so we don't have to deal with global food crisis year in and year out.

And so we supply poor and rural farmers with fertilizer and water-management systems. We distribute better seeds that will boost yields, and invest in research that will make crops like rice and wheat more resistant to drought and pests. You know, one of the really important challenges that this administration has taken on, and future administrations must take on, is to say to other markets around the world: It is okay to import markets to crops grown with biotechnology. A lot of countries are resistant upon introducing these new technologically advanced crops because they fear they're not going to be able to sell their crops elsewhere. And yet these crops will help people realize a vibrant agricultural industry.

I believe that as the United States moves forward, we ought to purchase up to a quarter of our food from local farmers. In other words, of all the food aid we get we ought to take a quarter of that, Donald, and purchase the food directly from local farmers. If it's in our interest to help build a local agricultural industry, then instead of just giving food, we ought to purchase food from the farmers themselves, to help build a vibrant agricultural sector in parts of the world where food is desperately needed. And I support the World Bank's strategy to increase investment in agriculture.

What I'm telling you is there's a better way than just a kind of patchwork approach. It's an approach that basically says we can use our technological advancement and our expertise to help build vibrant agricultural industries in nations where there ought to be crops today.

The United States works with partner nations to deal with the lack of clean water. Last year we dedicated nearly a billion dollars to improve sanitation and water supplies in developing nations. We're also wise enough to enlist the private sector to help, as well.

In Africa, the treatable and preventable disease of malaria kills one child every 30 seconds.

I want to share with you an interesting program—for two reasons, one, it's interesting, and two, my wife thought of it—or has actually been involved with it; she didn't think of it. But she thought of it for this speech. She has been involved with a public-private partnership called the PlayPumps Alliance. It brings together international foundations and corporations and the U.S. government. Now, catch this: PlayPumps are children's merry-go-rounds attached to a water pump and a storage tank. When the wheel turns, clean drinking water is produced. And as my good wife says, PlayPumps are fueled by a limitless energy source—children at play.

The United States is working with our partners to install 4,000 pumps in schools and communities across sub-Sahara Africa, which will provide clean drinking water to as many as 10 million people. It's not that hard to help people get clean drinking water. It takes focus, imagination, and effort. And I call upon all nations around the world to join us.

In the new era of development, America and our partners recognize that education is the gateway to prosperity and essential to any society's long-term success. It's pretty obvious, isn't it? If people are educated, they can read the instructions on a medicine bottle. They can keep receipts for a small business. They can learn about the rights and privileges they have under their country's constitutions. Yet too many people can't read. America and our partners are determined to extend the promise of good education to more people in the developing world.

In the Middle East, USAID has partnered with local officials to start kindergartens in Jordan, taught hundreds of thousands of children about information technology in Morocco, built 70 schools for girls in Egypt.

Through our Africa Education Initiative, as the President mentioned, the United States has trained more than 700,000 teachers. I think you said a million teachers? Yes, I'll go for a million then. Somewhere between 700,000 and a million. Distributed more than 10 million textbooks—somewhere between 10 million and 15 million—and provided hundreds of thousands of scholarships to help girls go to school.

Last year I announced a new initiative that will devote $425 million to improve education in Ethiopia and Ghana and Honduras and Liberia and Mali and Yemen. Why? Why do we do that? Because the truth of the matter is, we want children to fulfill their God-given potential, is why we do that. And so we're helping to train the doctors and the lawyers and the engineers and entrepreneurs and the women Presidents who will be vital to the future of the developing world.

In the new era of development, America and our partners are helping to lift the burden of deadly disease. In Africa, the treatable and preventable disease of malaria kills one child every 30 seconds. So in 2005 I launched a five-year, $1.2 billion initiative that cut the number of malaria-related deaths in 15 African nations by half.

Through the initiative, we joined with African governments—notice, "we joined with African governments"—to design malaria control strategies that will work with their nations. We expect results for the money we spend. And yet we're confident when we work with governments that they can develop the strategy necessary to achieve the objectives. And so we supply the money, and our partner nations work to distribute insecticide-treated bed nets, conduct indoor spraying campaigns, and provide cutting-edge drugs.

The interesting thing about this initiative is it's easy to measure whether or not we're being successful. In the new development agenda, results matter a lot. And therefore, when the United States works with countries, we expect there to be a well-defined strategy and the ability to measure whether or not our money is working. I don't think that's too much to

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ask, nor do the people who are trying to help think that's too much to ask.

So far, our efforts have reached 25 million people. In places like Zambia, and Ethiopia, and Rwanda, and Zanzibar, the numbers of people sick or dying from malaria have dropped dramatically. We have not only made progress around the edges, we've made dramatic progress in saving lives. I find that the work to defeat malaria is exciting work, and it is inspiring work. And frankly, it's not all that hard to design a strategy to get bed nets to people. And I want to thank my fellow citizens for caring deeply about this initiative. And I want to thank our partners for working hard to make sure that a mom won't have to worry about her child dying because of a mosquito bite.

The President talked about our fight against HIV/AIDS. And it's a noble battle and it's a necessary battle. In 2003, as she had mentioned, we launched PEPFAR. The program is the largest commitment by any nation to combat a single disease in human history. Ambassador Dybul and I believe that the program is effective because it is defined by a few key principles. You know, if you're going to have a new era of development, it's important to have clear definitions. It's one thing just to throw money at the problem, it's another thing to insist upon strategies that actually work. So the emergency plan demands specific measurable targets for progress. His job is to not only put the implementers in place and to find those souls who are on the front lines of saving lives and empower them; his job is to report back to the President and say, "Here is the progress we're making, Mr. President." That way it gives me a chance to say, "Well, if you're not making enough progress Mark, do something differently, please."

It employs a prevention strategy that works: ABC, which means abstinence, be faithful, and use condoms. This isn't guesswork; this is a program that is working. It puts local partners in the lead, because they know the needs of their people best. It enlists new partners from the international community, the private sector and the faith community.

I can't tell you how many people that I've met in the United States who say, "I'm part of PEPFAR, because my church has adopted the program." You know, there's nothing better than having people who hear the universal call to love a brother like you'd like to be loved yourselves on the front line of helping to save lives.

And the United States government is smart enough to enlist the compassion and love and hard work of people in the faith community in the United States to help our brothers and sisters in need. So far, the results are striking. When we launched the initiative in 2003, only 50,000 people in sub-Sahara Africa were receiving antiretroviral treatment.

Today we support treatment for nearly 1.7 million people in the region, and tens of thousands of more around the world, from Asia, to the Caribbean, to Eastern Europe. PEPFAR has supported care for nearly 7 million people, including millions of orphans and vulnerable children. PEPFAR has allowed nearly 200,000 children in Africa to be born HIV-free. PEPFAR is working. And I want to thank the United States Congress for coming together to reauthorize and dramatically expand this program.

I'm sure that many of you had the same experiences that Laura and I've had in meeting people whose lives have been touched by the initiatives we're talking about today. I'll never forget meeting Harriet Namutebi. She is—we met her in Africa on our trip five years ago. She lost her brother, her husband, and one of her children to AIDS. She was diagnosed, she locked herself in her room, she refused to eat, and she wanted to die.

But at a clinic supported by PEPFAR, Harriet was given a new lease on life. Counselors at the clinic showed Harriet how to live positively with HIV. A loving soul took this person who was in despair and said, here's a chance for you.

Thanks to the antiretroviral treatments Harriet received, she is now in good health. She cares for four children. She is an enthusiastic member of the clinic's drama group, which educates others about HIV. She is living proof of what people in Africa call the "Lazarus Effect"—communities once given up for dead are now being brought back to life. And it is a joy to be a part of PEPFAR.

In the new era of development, we are working with partners to unleash the greatest engine of prosperity the world has ever known, and that is free trade. For developing nations, the value of trade is nearly 40 times the value of foreign aid. Let me repeat that: For developing nations, the value of trade is 40 times the value of foreign aid. Isn't that an interesting statistic? What should that tell you? It says if you're interested in helping the developing world, promote trade. That's what it ought to tell you.

According to the World Bank, the complete elimination of barriers to trading goods would boost annual income in developing countries by more than $140 billion. I think that would go a long way, don't you, Madam President?

You know, trade opens growth, ignites growth, but it also produces other benefits. It helps increase transparency. It helps increase the rule of law. During my administration we have worked hard to reduce barriers to trade and investment. When I took office, we had free trade agreements in effect with three nations. Today, we have them with 14 nations; most of them are developing countries.

My predecessor, President Clinton, did a smart thing with the African Growth and Opportunity Act. My administration had the honor of extending that Act. In 2005, I worked with Congress to pass a free trade agreement with the Dominican Republic and nations in Central America—it's called CAFTA. And although it's still in its early stages, trade between participating countries with the U.S. is up 30 percent since its enactment. Do you know what that means? That means more jobs for workers in those countries. It means more food for families. It means more investment that developing countries need to grow and prosper. That's what that means.

Trade is essential to prosperity in both good economic times and bad. During periods of crisis, like the one we're in now, protectionism may seem like the best way to safeguard wealth. But when major economies try to wall themselves off, they deny themselves the growth that comes from exports and deepen poverty by depriving poor nations of vital markets for their goods. You see, in the midst of this

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crisis, I believe the world ought to send a clear signal that we remain committed to open markets by reducing barriers to trade across the globe. The recent impasse in the Doha Round of trade talks is disappointing, but that doesn't have to be the final word. And so before I leave office, I'm going to press hard to make sure we have a successful Doha Round.

In this new era of development, countries that make the courageous choice to embrace democracy must realize the economic benefits that go with it. When young democracies do not deliver improvements in their people's daily lives, the people start to lose faith in free societies; that's a fact.

For example, let's talk about our own neighborhood. I believe it's in our interest that we have a good, sound neighborhood. It's in our interest our neighborhood prosper and get along. And we've seen hopeful advances for democracy and free enterprise in North and South America. There's no doubt about it. There's been some amazing advances. Yet there's also voices that challenge free markets and democratic values—quite loud voices. Some of them have gained a following, because amid the progress in our hemisphere, we also see terrible want. What the campesinos and trabajadores want is—what they don't need is false populism; what they do need is social justice. And the development aid of the United States has been focused on providing social justice in our neighborhood.

True social justice requires creating new opportunities for prosperity and upward mobility. So working in partnership with Latin American nations, we've helped more than 400,000 poor and disadvantaged children learn to read. We've increased economic opportunity by relieving debt and opening trade, as I mentioned. We've delivered aid that empowers the poor and the marginalized. Since I took office—with support from the Congress—the United States has provided nearly $15 billion to the region with a special focus on helping the poor.

True social justice requires government institutions that are fair and effective and free from corruption. You can't have social justice if your government is stealing from you. Since 2001, the United States has doubled our worldwide commitment to programs that foster democracy and good government—including programs in Latin America. We've entered into the Millennium Challenge Account agreements with six nations in Latin America and the Caribbean—and a number of other countries are pursuing compacts.

We've worked with countries like El Salvador to train law enforcement officers who can combat criminal gangs. Mexico, we're partnering with the government to stop smugglers who traffic in everything from guns to human beings. Colombia, we've worked closely with President Uribe to defeat the cocaine cartels and narcoterrorists. By the way, it is no coincidence last year that Colombia's economy saw its largest growth in nearly three decades, because that country has got a strong leader willing to take on the FARC.

True social justice requires compassion. And some of the greatest work of compassion in Latin America is being done by the United States military. I don't know if you ever heard of the Navy hospital ship called the Comfort, but it sailed to 12 countries in Latin America and the Caribbean last year. Doctors treated tens of thousands of poor patients, and conducted more than 26,000 surgeries. Dentists and hygienists filled cavities and cared for infections and treated young children. These men and women are showing that the nations of Latin America have a strong partner in the United States of America. They're a part of our efforts to show that the institutions of freedom and capitalism and democracy are not threats to be feared, but the surest path to social justice there is.

From fostering good governance and reform, to alleviating hunger and disease, to advancing education, prosperity and justice, our new approach to development has shown inspiring signs of success. Yet this success can be reversed, and the cost of abandoning our commitments would be far higher than the cost of fulfilling them. So I urge both parties in Congress to ensure that our development efforts remain an enduring priority of the United States.

I call on other members of the G8 and the United Nations, as well as our fellow contributors to the Global Fund, to follow through on their pledges. Corporations and foundations have shared their resources and expertise with the developing world, and I urge them to continue their generosity. Faith-based groups have done amazing work to heal the sick and lift up the suffering, and I urge them to carry on their missions of mercy.

It's amazing what individual Americans have done to help with the new era of development. I got a Christmas gift from one of my little nephews, which was mosquito nets. Thousands of individuals and schoolchildren all across the country are donating $10 to buy a mosquito net to help save a life. There are people who are raising money for HIV/AIDS initiative. There are people who are going on a service mission with their house of worship. These folks are making a huge contribution, and I urge them to continue their good work.

History shows what happens when America combines our great compassion with our steadfast determination. We are a compassionate people and we are a determined people. During a recent visit, a good friend of mine shared his vivid childhood memories of the Marshall Plan. We were standing on the South Lawn. He said he'll never forget the kindness America showed his nation in a time of need, and now that man is the Prime Minister of Italy. And last week, Silvio Berlusconi expressed his enduring loyalty and gratitude to the people of the United States.

It's not hard to imagine what fruits our compassion will yield 60 years from today. We can see it in the faces of Afghan girls going to school for the first time. We can see them in the proud eyes of Latin American workers providing for themselves and for their families. We see them in the joy of new African mothers whose babies are protected from malaria and HIV. We see them in the outpouring of thanks throughout the developing world. I'm just so sorry that not every American could have been with Laura and me to see what we saw in our trip to Africa last year. Schoolchildren sang songs about America's generosity. One shop-owner, I think who was in Liberia, Madam President, painted his stall in our nation's colors. Tens of thousands of people lined the

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roadsides during our visit, cheering and waving American flags in gratitude to the American people.

I'm honored to be the President of such a nation filled with people—filled with people of such generosity and goodness. I'm proud to join with all of you in ushering in a new era of development. This is an historic commitment that we all can be proud of—one that will secure a bright future for our partners in the developing world, one that will make America a better place. God bless you.

Remarks by Secretary of State Rice, October 21, 2008[11]

Secretary Condoleezza Rice delivered these remarks in Washington, DC

Secretary Rice. Good morning, everyone. Thank you for joining us here in Washington, especially the many of you who have traveled from overseas.

Fellow ministers and members of the diplomatic corps, distinguished guests, ladies and gentlemen, I'm really pleased to welcome you here to begin today's White House Summit on International Development.

This is truly a special and unique occasion: An opportunity for us to gather together—both representatives of government and representatives of NGOs and members of civil society—to support people around the world who are striving to lift themselves out of poverty, to forge lives of dignity for themselves and their families, and to build a world that is not only more stable, but more just. Not a perfect world, but a better world.

We meet today, of course, at a time of unprecedented challenge, a time when the very foundations of global politics and economics are shifting beneath our feet. Many people are hurting from this financial crisis. They are afraid for their livelihoods. They have been squeezed as well by the high cost of fuel and food, and they are anxious about what the future will bring. Millions of people worldwide are experiencing this anxiety, including here in my own country. But none more so than the world's poorest people, the half of our human race that still, tragically, lives on less than $2 a day. And we meet here today to affirm our enduring support for these men, women, and children—many of whom live in countries represented here at this Summit.

As we've seen, every country is sharing the impact of this current crisis. And so, too, must we all share the responsibility for implementing an effective response globally, nationally, and locally. Already, President Bush, Secretary Paulson, and their colleagues from the G-8, the European Union, and other leading nations have taken decisive and necessary action and they will meet soon in a meeting that the President will host to review steps taken and steps still to be taken.

A key component of the broader response, though, must be renewed action to promote global trade and development. We must seize this moment as an opportunity to revive and conclude the Doha Round for the expansion of an open, global trading system because that is the best way to create prosperity, and to enable more people to share in it. A successful completion of Doha would send a powerful signal that the world's response to this crisis will be fundamentally different than in the past, fundamentally different than in the '30s in the Great Depression, when many countries—including the United States, unfortunately—turned inward, adopted protectionist practices and deepened the crisis.

Similarly, all of us must remain committed at this time to the principles and practices that are proven to reduce poverty—the ideas the world enshrined in the Monterrey Consensus. Developed countries increasing assistance to developing nations and developing nations meeting their responsibility to rule justly, to fight corruption, to reform their economies, and to invest in their people. Together, we must all advance the principles of successful development that are the focus of this Summit: country ownership; good governance; economic growth; and results-based policies. That is how we will sustain the new era of development and meet the millennium development goals.

Since 2001, the cornerstone of the American approach to development has been accountability. The United States has encouraged all donor countries to make ambitious commitments and to meet them, and we have led by example. We said in Monterrey that we would boost development assistance by 50 percent and we did, three years early, I might add. We said at Gleneagles that we would double assistance to Sub-Saharan Africa, and we are on pace to meet that commitment, too.

This has not been the work of the Bush Administration alone. It has been a bipartisan effort—Democrats and Republicans together. And all Americans can feel immensely proud of our leadership on development.

Despite the current crisis, the United States is continuing to meet our commitments to the world's poor. Our Administration intends to sustain that commitment and we hope that our successors will sustain that commitment, too. For the United States, supporting international development is more than just an expression of our compassion. It is a vital investment in the free, prosperous, and peaceful international order that fundamentally serves our national interest.

There are those who maintain that it was the excesses and weaknesses of democratic development that caused this crisis and that reveals its inherent failings—failings of free markets and democracy. To the contrary, the effective response of democratic institutions to the current crisis has affirmed their strength, their resilience, and their enduring appeal.

It has affirmed that, when it comes to managing stresses and strains of globalization to recognizing problems openly and publicly and taking necessary steps to correct them, the core ideas of democratic development are indispensable. Transparency and accountability are essential. Good governance and the rule of law are essential. Institutions that adapt quickly to new challenges are essential. A state that responds to people's needs and invests in their talents; that is essential.

The question for us here is how we can best support nations that follow this course. Those who govern wisely, fight corruption, and tend to the needs of their people for health and education and personal security, creating opportunity and promoting social justice.

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For our part, the United States has fundamentally transformed our thinking and our practice on this question over the past eight years. We have approached developing nations not as objects of our policies, but as equal partners in a shared endeavor of dignity. We have put our trust in leaders and citizens that are taking responsibility for their own challenges, taking ownership of their own development, and remaking their countries.

We recognized, for example, that developing nations struggling to do the right thing should not be shackled by old debt burdens that they can never repay. So the United States helped to lead multilateral efforts to forgive nearly $60 billion of debt for Heavily Indebted Poor Countries.

We recognized that investments in basic health are essential for development. So we launched the largest international health initiative ever undertaken in one country: $48 billion over five years to combat tuberculosis and malaria and HIV/AIDS in the hardest hit countries.

We recognized that good institutions and basic investments in people and infrastructure are essential for development. So we created the Millennium Challenge Account initiative—which transforms our assistance into an incentive for developing countries to build the institutions that foster sustainable economic growth and poverty reduction. Our Millennium Challenge Corporation has now approved development grants—not loans, grants—to transformational countries, totaling more than $7.5 billion.

We recognized that in some countries—those emerging from tyranny, or war, or both—what is most essential for their development is the establishment of basic security, law and order. So the United States has created a Civilian Response Corps—a cadre of diplomats and civilian experts that can support leaders and citizens who are trying to lead their nations out of chaos and lay new foundations for decent, effective states.

At the same time, we have been a critical partner to countries ending conflict—from Angola and Burundi, to Sudan and Sierra Leone and the Democratic Republic of the Congo and in Liberia. In Africa, we've worked with regional organizations like the AU to train peacekeeping forces and to strengthen their capacity to conduct stability operations in Darfur.

Finally, we recognized that deepening and broadening international development is not only a moral imperative, but a strategic interest and an economic interest. So we made development, together with diplomacy and defense, an equal pillar of our security strategy. And we empowered the U.S. Agency for International Development to support the world's striving poor in removing obstacles to their own development—to better education and health, better governance, and greater agricultural productivity.

Thus since 2001, we have doubled our assistance to Latin America, quadrupled it to Africa, and tripled it worldwide. As we have enlarged the quantity of our assistance, we've taken new steps to enhance its quality. We've worked to reform and restructure our foreign assistance—to develop country strategies that address the unique needs of particular nations, that promote country ownership, and that use our precious development dollars as efficiently and effectively as possible.

Taken together, U.S. assistance efforts over the past eight years represent the single largest development initiative since the Marshall Plan. This effort has been led and championed by President Bush. It has been fully supported by our Congress. It has been made possible by the abiding generosity of the American people. And I am proud to have had the responsibility as Secretary of State to direct these efforts.

But if there is one idea that I want to stress today, it is this: When times are hard, as they are now, every nation is focused on protecting its own interests. That is entirely legitimate, and it is to be expected. But what we cannot do—what we must not do—is to allow our generosity and our concern for others to fall victim to today's crisis. Reneging on our commitments to the world's poor cannot be an austerity measure.

Not when there are so many children around the world, girls and boys, who long for that basic education, which will open their minds, and expand their horizons, and enable them to reach their full potential.

Not when there are so many men and women for whom AIDS need not be a death sentence—and so many young orphans, who still need care and still have a chance at a better life than their parents ever had.

Not when there are children who still die needlessly from a mosquito bite when an inexpensive bed net would have provided protection. And not when there are so many countries on the cusp of prosperity, whose citizens yearn for the dignity of self-improvement and social mobility, and who just need a modest hand up from those more fortunate than they are.

Of course, some will ask the inevitable question in these troubled times—how can we afford it? I would ask instead—how can we not afford it? How can we afford to leave the world's striving, struggling poor to their own devices? How can we afford not to support weak, poor, and poorly governed states that as we have seen, can destabilize the world in the 21st century? If we fail to support the neediest members of our international community, and if we stop making investments in the international order that serves all of our strategic and economic interests, we will all be the poorer for it, and our vision of a just and better world will grow dimmer.

So despite our present challenges, I believe that we can be confident that our nations and our economies can emerge stronger and more vibrant than ever. And the reason is this—we have learned and are learning the lessons of past crises to guide us, both successes and failures. Undoubtedly, changes will be needed and changes will be made to prevent crises like the one that we are experiencing today. But as we look forward, we must focus on the fundamentals, investing in people, in their health and their education, in good governance and in accountability. That will give people, even the poorest, a sense of control of their lives. And it will counter the fear that the impersonal forces of globalization are sweeping them dangerously along. In turn, their leaders will have a basis to maintain confident, constructive, sustainable engagement in a globalized environment.

This then is the purpose that unites us here at today's Summit. And it is a purpose that we must carry forward into the world at the close of this event. We must explain to our citizens and our leaders

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why international development assistance is both morally and strategically essential. We must win and sustain support for it. We have accomplished so much together these past eight years. There is no aspect of our work together which is more important. And I know that if we sustain our efforts and stay focused on what we are doing, that our common future will be brighter still.

Now, it gives me great pleasure to introduce a woman who embodies this great hope and has spread that hope to her fellow citizens, and in doing so has spread that hope throughout Africa and around the world. She is the mother of Liberia, but she is an inspiration to us all. Will you join me in welcoming President Ellen Johnson Sirleaf of Liberia.

Remarks by USAID Administrator Fore, October 21, 2008[12]

Administrator Henrietta Fore delivered these remarks in Washington, DC

Administrator Fore. Good morning. I am delighted to moderate the panel on the importance of good governance to sustainable development. Stable democratic institutions that are responsive to the needs of the people, along with sound economic policies and rule of law are the basis for sustained economic growth and poverty reduction.

Under the leadership of President Bush, the United States has begun to approach international development from that new perspective. What Secretary Rice has talked about, bears repeating—our foreign assistance must stay strong and steady. As President Sirleaf described, our assistance must enable local "home-grown" solutions to development problems. We have witnessed a dramatic rise in another type of "country-owned" aspiration: "the home-grown desire for democracy" and the increased demand for meaningful political participation.

We have watched multicolored revolutions unfold-from Ukraine and Georgia to Lebanon and Kyrgyzstan. We have watched as former war-torn countries like Liberia, Sierra Leone, Rwanda, and East Timor now have freely elected governments.

Poor governance has been identified as one of the root causes to chronic underdevelopment. In fact, low-income democracies and democratizing countries have outperformed their autocratic counterparts in life expectancy, literacy, clean water, agricultural productivity and infant mortality.

Good governance is participatory, accountable and responsive, effective and efficient, equitable and inclusive. It assures that corruption is minimized, and that the voices of the most vulnerable in society are heard. Rule of law is reinforced by an independent judiciary and an honest police force. So how do we get there?

We must work with partner countries to build those strong institutions and practices of democracy and good governance. USAID programs do just that.

Our efforts are paying off. Our anti-corruption program in the Philippines contributed to a sharp reduction in bribery of tax officials, and a steady increase in tax collections. Corruption convictions against high-ranking officials more than doubled.

And our successes are also having a real impact at the grassroots level. In Sierra Leone, illegal diamond mining was one of the main sources financing its devastating war. With the return of peace, a USAID program has worked with the government, local communities, civil society, diamond industry officials and miners to train them in monitoring techniques, advocacy and cooperative management.

Since then, legal diamond exports increased from a scarcely $1 million in 1999 to more than $70 million in 2003. And for the first time, local communities are actually seeing some of the proceeds of the sales of those diamonds.

USAID has pioneered the use of similar public-private partnerships to promote good governance through our Global Development Alliances. We mobilize the ideas and resources of governments, businesses and civil society by forging public-private alliances to stimulate economic growth, and strengthen the capacity of local governments to govern effectively and democratically.

U.S. funding for the promotion of good governance is seeing results. Recent academic research found that USAID's assistance has a positive and significant impact on democratic development. The study concluded that, in any given year, $10 million dollars of USAID democracy and governance funding produces about a five-fold increase above what a country would achieve in democratic change without assistance.

So our challenge is how to sustain U.S. government commitment and resources to strengthen democratic governance around the world.

In today's uncertain financial times, that challenge takes on increasing importance. Countries will experience slower growth and capital flight to the safest markets. So, what can a developing country do?

This panel will provide some field-tested best practices: focus on political stability, sound business and social policies, and combat corruption.

Moving forward will require passing and building lessons learned on best practices onto the next administration. Our guests today have solid examples of such lessons. Each of them exemplifies the range of efforts that are required to succeed in this battle: committed leadership, government reform, private sector engagement, and vigilant oversight by civil society and the media.

Press Release from the U.S. Agency for International Development, October 29, 2008[13]

The U.S. Government, through the U.S. Agency for International Development (USAID), will provide an initial $1 million in assistance through international and non-governmental organizations to help meet the immediate needs of those affected by the earthquake in the Balochistan Province of Pakistan.

"We extend our deepest sympathies to the government and people of Pakistan,"

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said USAID Administrator Henrietta H. Fore. "USAID is continuing to monitor the situation and is prepared to provide additional assistance if needed."

The U.S. government is working alongside the Pakistani government and the international community to assess the damage. These assessments will help determine if additional U.S. assistance will be necessary.

Press Release from the Millennium Challenge Corporation, November 18, 2008[14]

The Millennium Challenge Corporation (MCC) and the Agence Française de Développement (AFD) signed a Memorandum of Understanding (MoU) today that seeks to increase international development coordination between the two agencies and to make their poverty reduction efforts more effective in Africa and throughout the developing world. MCC Chief Executive Officer Ambassador John Danilovich and AFD Director General Jean-Michel Severino signed the MoU at AFD's Paris headquarters during a meeting to share best practices and discuss specific ways to increase coordination.

"I am pleased to continue our partnership with AFD in the fight against global poverty. MCC and AFD believe that supporting local solutions and focusing on good governance are pivotal in achieving sustainable economic growth," said Danilovich. "This MOU will enhance MCC and AFD coordination in helping our country partners, especially in Africa, improve the lives of their people."

AFD CEO Jean-Michel Severino added that AFD is pleased to build up a tighter relationship with MCC and to start working together on concrete projects. He outlined that MCC has made major contributions and is a sizeable player in the countries where AFD also operates.

Focusing initially on Africa, the MoU identifies practical areas for potential cooperation in countries where both MCC and AFD are engaged, such as in Burkina Faso, Benin, Morocco, Mali, Madagascar, and Senegal. The MoU provides a solid framework to deepen field cooperation between MCC and AFD in a number of areas such as microfinance, land tenure and agriculture.

In partner countries where both agencies are active, MCC and AFD in-country representatives will use their best efforts to meet regularly to review initiatives, exchange information on programs, and identify lessons learned to enhance cooperation, both bilaterally and inside formal donor and partner country forums. The agencies also will meet to review how indicators are used to measure country policy performance.

The activities outlined in the MoU are a strong signal of both agencies' commitment to the ideas in the Paris Declaration on Aid Effectiveness. In addition to addressing ways to coordinate their assistance, the MoU also notes the central role of country ownership in both agencies' programming, underlines support for partner countries to adopt policies that support sustainable development, and addresses MCC's and AFD's efforts to address the Millennium Development Goals (MDGs).

Press Release from the U.S. Trade and Development Agency, November 19, 2008[15]

Developing the necessary rail infrastructure in Tanzania to support economic growth and to facilitate the establishment of an important regional transportation corridor is the goal of a USTDA grant awarded yesterday to Tanzania's Ministry of Infrastructure Development. The grant, which was awarded under USTDA's African Trade Lanes Partnership, will fund early investment analysis on a proposed upgrade to the Dar es Salaam to Isaka Railway.

The $653,600 grant was conferred at a signing ceremony held at the Mayflower Hotel in Washington, D.C. USTDA Director Larry W. Walther and the Honorable Shukuru Jumanne Kawambwa, Minister of Infrastructure Development, signed the grant agreement on behalf of the U.S. and Tanzanian governments, respectively. The Honorable Linda Bihire, Minister of Infrastructure of Rwanda, and the Honorable Philippe Njoni, Minister of Transport, Post and Telecommunications of Burundi, signed as witnesses to the grant agreement.

The current railway from Dar es Salaam to Isaka dates from the early 1900s and is narrow gauge. The USTDA grant will be used to evaluate the economic and technical feasibility of upgrading the railway to standard gauge, which would allow trains to carry more weight per car, more cars per train, and move trains up to three times faster than the current railway.

The proposed railway upgrade is part of the Central Development Corridor (CDC) plan for Tanzania, Rwanda, and Burundi. In combination with improvements at the Port of Dar es Salaam and construction of a new Isaka to Kigali, Rwanda rail link, the CDC would convey freight from the Port of Dar es Salaam to a "dry port" at Isaka and onward to land-locked Rwanda.

The Ministry of Infrastructure Development has selected Burlington Northern Santa Fe (BNSF) Railway of Fort Worth, Texas, as the U.S. firm that will perform the USTDA-funded study. In addition to the grant awarded yesterday, BNSF Railway will contribute additional resources toward the study's completion.

Press Release from the U.S. Trade and Development Agency, November 20, 2008[16]

Promoting enhanced cooperation and building trade capacity under the United States-Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) is the goal of a USTDA-sponsored workshop that opened today at the Marriott Hotel in Guatemala City. The two-day event, which is taking place as part of the agency's DR-CAFTA Trade Integration Initiative, attracted participation by representatives of each of the DR-CAFTA countries to discuss their telecommunications sector commitments under the trade

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agreement and how to develop open and competitive telecommunications markets.

"Establishing the right regulatory framework for growth and competition in the telecommunications sector is essential for the trade relationships envisioned by DR-CAFTA to reach their full potential," said USTDA Director Walther. "At the same time, the telecommunications sector has the capacity to serve as a catalyst for growth in other sectors."

DR-CAFTA promotes important reforms in the domestic legal and business environment in signatory countries to encourage competitive business development and investment, transparency and rule-of-law. Under the theme "Laying a Path for Growth and Innovation," the workshop will support these objectives by enabling participants to exchange experiences on telecommunications regulatory issues and analyze concrete examples of how other countries have successfully addressed those issues. The workshop is being funded by USTDA with organizational and technical support from the Office of the U.S. Trade Representative, the U.S. Department of State's Office of International Communications and Information Policy, the U.S. Embassy in Guatemala, the U.S. Federal Communications Commission, and the U.S. Department of Commerce's National Telecommunications and Information Administration and the International Trade Administration.

R-CAFTA promotes important reforms in the domestic legal and business environment in signatory countries to encourage competitive business development and investment, transparency and rule-of-law.

The workshop agenda includes sessions on best practices in universal service implementation, a regional view of information and communications technology in development, telecommunications as an engine for commercial growth, the benefits of liberalization and opportunities in the era of convergence, regulation of major suppliers, spectrum allocation and auctions, effective regulatory frameworks, and areas for future collaboration.

In addition to Director Walther, the other speakers at today's opening session were Guatemalan Vice Minister of Communications, Infrastructure, and Housing Lucrecia Ruiz; U.S. Ambassador to Guatemala Stephen G. McFarland; Guatemalan Vice Minister of Integration and Foreign Trade Ruben Morales; and Ambassador David A. Gross, U.S. Coordinator for International Communications and Information Policy.

Press Release from the Millennium Challenge Corporation, November 20, 2008[17]

Millennium Challenge Corporation (MCC) CEO Ambassador John Danilovich and Georgian Prime Minister Grigol Mgaloblishvili today signed an amendment to the $295 million compact with Georgia that grants up to an additional $100 million in U.S. Government development assistance to Georgia. The additional funding will complement activities currently funded by MCC, including the rehabilitation of Georgia's road network, infrastructure development and energy activities.

"The millions of Georgians who live in poverty will benefit in meaningful and tangible ways from this additional investment in Georgia's long-term economic development. This increased cooperation represents new opportunities, new jobs, new technologies, expanded productivity, and increased access to markets where goods can be traded. Georgians will be able to tap into water sources and heat sources for their homes and businesses," said MCC CEO John Danilovich. "A new day of hope and growth is dawning, and I am pleased that the collaboration and partnership between MCC and the people of Georgia can make this prosperous future a reality," Ambassador Danilovich added.

Press Release from the Millennium Challenge Corporation, November 20, 2008[18]

Millennium Challenge Corporation (MCC) Vice President for Compact Development John Hewko is completing a four-day visit to Moldova where he met with Moldovan Prime Minister Zinaida Greceanii to discuss the progress of Moldova's MCC compact proposal. During the visit, both reiterated their commitment and continued cooperation refining the economic development assistance grant proposal which will target Moldova's road network and agricultural sectors in an effort to reduce poverty and create economic growth.

Additionally, while in Chisinau, Mr. Hewko and Prime Minister Greceanii signed a Memorandum of Understanding, witnessed by U.S. Ambassador Asif Chaudhry, highlighting the partnership and joint ownership of activities to be funded by MCC that will refine projects included in Moldova's compact proposal. The memorandum expresses that the government of Moldova and MCC intend to conduct feasibility and environmental impact assessments, and other analyses, to determine how best to design and proceed with the proposed road rehabilitation and agriculture projects. These studies will lay the foundation to ensure that the projects proposed by Moldova would significantly contribute to economic development and poverty reduction.

Press Release from the Millennium Challenge Corporation, November 25, 2008[19]

Ambassador John Danilovich, Chief Executive Officer of the United States' Millennium Challenge Corporation (MCC), yesterday expressed his deep concern and disappointment over the events surrounding the municipal elections in Nicaragua

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and has ordered the agency to reevaluate its $175 million aid package.

"We had hoped, for the sake of the Nicaraguan people, that the government would continue the country's trend towards peaceful, democratic and credible elections," Ambassador Danilovich said. "I am afraid recent evidence shows that this is not the case."

"I am not satisfied that the electoral process in Nicaragua has been conducted in accordance with the principles upon which MCC awards and delivers grants to reduce poverty," Ambassador Danilovich added. "This fundamental commitment to democracy is critical because MCC has determined that our funds are most effective when we partner with governments who are governing justly, investing in their own people and committed to economic freedom—and free and fair elections are a cornerstone of that."

As a result of the actions of the Government of Nicaragua, MCC will not approve disbursements for any projects or activities not already contracted by MCA-Nicaragua, the entity that implements the program, until further notice.

"I am very concerned about the impacts any holds on our program will have on Nicaragua's poor, so it is taken very seriously and with the hope that the Nicaraguan government will do all it can to reestablish what has been an effective partnership," said Ambassador Danilovich.

MCC is concerned about the Government's actions, which limited the activity of the political opposition, civil society, media and election observers prior to the elections, and MCC is disappointed that the electoral results have been certified despite serious concerns regarding electoral irregularities.

"We call on the government to return to democratic norms and respect for the democratic process," said Ambassador Danilovich. "In the coming weeks, MCC will continue to monitor the situation and MCC's Board of Directors will discuss recent events and the next steps for Nicaragua's eligibility and program at our December 11th meeting."

Remarks by USAID Administrator Fore, November 28, 2008[20]

Administrator Henrietta Fore delivered these remarks in Doha, Qatar

Administrator Fore. The events unfolding in today's global economy are indeed unsettling. I share the concern felt by everyone here in Doha for the impact of the financial crisis on our societies' broadly, and our most vulnerable groups. As President Bush has affirmed, the United States will meet our commitments, our obligations to the people in the developing world, and I know this same commitment is broadly shared among all present in Doha this week.

As you know, when you work in development, the nature of the work is that you must take the long view. The objectives we share relate to the longer term, and we measure our progress over periods of time that can do full justice to the truly remarkable accomplishments we see in the developing world. And we do have a great deal to be proud of. To cite one example of many, we can all take deep satisfaction in the reduction of child deaths, which have fallen from 13 million in 1990 to 9.7 million last year, according to a recent UNICEF report. It is the lowest level since record-keeping began in 1990.

We meet here this week to review our progress in meeting the important Monterrey commitments, to which we have dedicated our best efforts since 2002. Speaking for the United States, I would like to express the pride we feel in the accomplishments of our development initiatives. The Millennium Challenge Corporation was first announced in Monterrey and established in 2004. Relying on country leadership in program identification and implementation, MCC exemplifies our belief that aid is most effective when it reinforces good governance, economic freedom and investment in people. To date, MCC has signed compacts totaling more than $6 billion with eighteen partner countries, and threshold programs providing more than $425 million to 19 eligible countries.

USAID, our longstanding bilateral development agency, through equally creative and responsive innovation, now has a strong program of partnership with the private sector. Through these partnerships, USAID has leveraged a total of $9.0 billion in support to development programs in many sectors, working with 1700 distinct partners. One example is our partnership with Walmart in Central America, which has strengthened both agriculture and regional trade by working with small farmers. Public-private partnerships are a new and growing model of development initiatives with great promise for the future, and USAID has been a leader in pursuing innovative approaches to partnership with private companies, foundations, and universities.

Our levels of official assistance have also increased—significantly. In Monterrey, President Bush announced a pledge by the American people to increase U.S. development assistance by 50 percent. That goal was achieved, and three years early. In fact, our Official Development Assistance is now nearly triple what it was in 2000. We have nearly doubled our ODA spending in Latin America, and we have nearly quadrupled it in Africa.

I am also pleased to reaffirm our commitment, in the face of the current challenging economic environment which has battered all of our economies with volatile food and fuel prices and slower economic growth, to provide over $5.5 billion dollars to increase food security in the most affected countries—and we are focused on doubling production and trade in markets in Africa.

In future years we will have the opportunity to examine this year—2008—with the same long-term optic that we have brought to Doha. I truly believe that when our countries and organizations next meet, we will see this year for what it is. As unlikely as it may seem from the perspective of today, I fully expect that 2008 will come to be regarded as an important turning point, a year in which the commitments we make will guide our economies to recovery and to a stronger future. In the terrible and troubling dislocations we see in today's global financial markets, lie the seeds of five promising advances. They are: stronger international coordination toward shared goals, a deeper understand-

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ing of the fundamental linkages of the public and private sectors, the inclusion of more players in the governance of the world economic system, a renewed recognition of the importance of economic growth to development, and, yes, a rededication to the important principles that we first articulated in Monterrey.

First, let us consider how our international system is poised to grow stronger. Most of our countries have enjoyed a long run of strong economic growth over this decade. Developing countries with good governance and sound economic management in many cases outperformed the West. During this exceptional world growth episode and until recently, many believed that developed, emerging and developing economies were somehow "decoupled," and that economic problems in one place would not infect others. It is not holding true, given how very closely entwined the world has become over the course of just one generation—through communications, technology, trade, immigration, globalized financial markets and numerous other factors we could not have imagined a few decades ago.

The financial crisis has dispelled—probably for good—any notion we may have had that our economies can go their separate ways and still prosper. With our fates so tightly linked, we better appreciate the importance of coordination and collective action to ensure a better future. We in each of our countries understand much more viscerally that if other economies are not healthy, our own people may pay a price. Certainly, development assistance has always been predicated on the idea that it mutually supports donor and partner countries. From this point into the future, however, I expect we will exercise an even more urgent commitment to the success of that assistance and of the countries that receive it.

One salient example of our deeper interest in working together comes from the recent G-20 Summit. From this meeting emerged a pledge to avoid new protectionist trade policies for twelve months, along with a renewed call to complete the Doha trade round. As President Bush recently stated, "The value of foreign trade to developing countries is forty times the value of aid." Since, fortuitously, we are now meeting in Doha, it seem more than appropriate that we strive to remember 2008 as the year we decided as a group to finalize the Doha round, and to enter a new and even more prosperous era of benefit from closer trading relations.

And it has been an extraordinary year with historic lessons—far bolder than any textbook or real life lessons to date—that the health of the public and private sectors are deeply dependable on each other: from the tangibles of country regulations to the intangibles of the confidence of markets, consumers, and citizens.

This is also a year in which the global architecture is expanding to include more voices. Not only is coordination essential, but it must involve many more players. The "G's" (of G-8 to G-20) are getting bigger. Our shared success in getting through the next difficult years will be, in the end, a tribute to the hard tasks we will tackle together to coordinate economic policy actions and bring new actors under the coordination umbrella.

In the assistance world, we certainly know quite well this phenomenon called "coordination," and all the challenges it brings. I doubt there is a person in this room who has not found coordination of development assistance efforts a struggle—albeit a worthwhile one—and we can all attest to both the hard work it entails and the dividends it pays. Our global architecture for development is expanding too—under our "development umbrella" we now find private corporate partners, diaspora communities, emerging donors, foundations, foreign direct investment, international banks and other new partners who enrich the development equation with their energy, innovations, resources and commitment. In 2008, here in Doha, we will set the stage for our future successes by acknowledging that the umbrella has gotten very large, and by stretching our coordination efforts, challenging as they are. This is the wave of the future for all of us, and will strengthen our global financial system.

For quite a while, economic growth seemed to have disappeared as a priority for development efforts. The Monterrey Consensus certainly includes strong statements acknowledging the importance of economic growth as a means to reduce poverty and advance other development goals. In more recent years, however, the development community has seemed more concerned with social sector and human development outcomes. In part, economic growth programming was a victim of its own success, like agriculture before it, during a period in which most developing countries were economically growing strongly and rates of poverty were declining. We may have become complacent about growth, particularly given the urgency of many other development goals.

This past year, first with spiking food and fuel prices, and now with financial market problems, we no longer have the luxury to take economic growth for granted. For example, I recently approved a new economic growth strategy for USAID. Its timeliness was perhaps not fully appreciated by anyone including myself until recent events intervened. I am particularly concerned that years of de-emphasizing agricultural development may now become a legacy we regret. If 2008 can become the year we re-discover economic growth as a fundamental component of our development toolkit, we will see our efforts translate into a future world that is more food-secure, and whose vulnerable populations will increasingly rise out of poverty. Broadly-based and sustained economic growth paves an easier path for all countries to meet the important commitments we will make this week in Doha.

These four themes—coordination, public and private sectors, more players and economic growth—when taken together bring us full circle to the high expectations we all have for these Doha meetings. Our recommitment to the most fundamental precepts advanced in Monterrey: the mobilization of domestic and international resources for development, the importance of trade, and other topics, will be another substantial accomplishment of 2008 that we will look back to and appreciate as a step toward a better future. Had this meeting taken place two years ago, its tone may have been more upbeat, but its significance and its influence on our future, in my opinion, would not have been nearly as great.

The same four themes loom large in our task today to consider concrete steps to

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ensure a stable financial system. Some emerging market countries are experiencing similar financial market problems to those we see in the United States and Europe. For the lower-income countries, however, the impact will be perceived more gradually in line with the recessionary forces slowing global trade and growth. The global economic downturn will likely play out over the next several years.

Closer coordination, as our countries embraced in Accra in the recent aid effectiveness meetings, will be essential for our collective resources to have their greatest impact. For this reason, I have been discussing with my colleagues within the United States government, as well as with other donor and multilateral agencies, a proposal for a coordinated and rapid approach to deliver needed assistance to affected countries. In this time of additional stress, as donors, we must improve our responsiveness, avoid overlap and redundancy, and expedite delivery of needed support. So let us move our words of aid responsiveness to action. Let us set up a rapid response team.

I am proposing several concrete steps. First, we need to share information regarding programs and resources that we can offer to address financial crisis issues. We also need to clearly identify points of contact in each bilateral and multilateral donor or assisting agency, and be sure there is good communication across agencies. Finally, we need to streamline our processes and rapidly field donor teams to identify options for responding to urgent needs. As part of this proposed approach, we would carefully watch developments in the world economy and assess likely points of vulnerability so we can provide assistance most quickly where it is needed most urgently.

The good news is that many developing countries have practiced and continue to practice sound macroeconomic management. Nevertheless, as partners, we need to stand ready to assist any countries that seek our support to help their financial systems adjust to an evolving global economy. I look forward to the discussions today, which represent an important step in this process.

Thank you.

Press Release from the U.S. Agency for International Development, November 29, 2008[21]

Today, November 29, 2008, we gather together here in Doha, Qatar, on the margins of the Financing for Development Review Conference to support Africa's framework for agriculture growth, food security, and rural development. As donors, we commit to support African countries' own programs and action plans to increase inclusive agricultural growth in line with the principles of the Comprehensive African Agricultural Development Program (CAADP). We will align our regional plans to support the efforts of African countries to scale up agricultural investments and to build inclusive, multi-stakeholder partnerships that are needed to meet the CAADP goals of stimulating growth and reducing poverty.

The donor community will also make special efforts to strengthen international, regional, and national policies and strategies on food security through Global Partnership for Agriculture and Food (GPAF) activities to support CAADP.

We are also determined to help strengthen African-led plans to meet short- and long-term agriculture needs, particularly by filling gaps in inputs for upcoming cropping seasons. In delivering support, we will endeavor to bolster a shared approach at the country and regional levels with the aim of reducing the effects of increased prices and decreased supply of agricultural commodities, particularly staple food crops. We will also support efforts to enhance African capacity to develop and manage water resources infrastructure and to employ appropriate agricultural practices that maximize the efficient use of these water resources.

We will engage the private sector and support smallholder farmers' strong participation in developing African agricultural value chains, including in sustainable forestry, water management and renewable energy. We will also strengthen and further develop long-term alliances with African agricultural institutions, initially in the 15 countries [1] and two regions [2] advancing the CAADP agenda.

The donor community will assist in advancing the CAADP comprehensive agricultural investment framework by helping to fill the resource gap. This support is predicated on full leadership and commitment from African governments, including alignment of their resources to this shared agenda and an enabling policy environment for agricultural development. Without this partnership, the goal of achieving sustained growth and poverty reduction in Africa cannot be met.

This statement has been reviewed and endorsed by Japan, Norway, Germany, France, United Kingdom, Finland, Italy, Sweden, South Korea, and The Netherlands.

[1] Benin, Burkina Faso, Ethiopia, Ghana, Kenya, Malawi, Mali, Niger, Nigeria, Rwanda, Senegal, Tanzania, Togo, Uganda, and Zambia.

[2] East and West Africa.

Press Release from the U.S. Agency for International Development, December 2, 2008[22]

The United States is pleased that the international community today adopted the Review Conference Outcome Statement, thus reaffirming the Monterrey Consensus, which emphasizes that reducing poverty depends on foreign aid, expanded trade, and private investment.

President Bush has doubled the amount of U.S. foreign aid since taking office, has signed 10 free trade agreements with developing countries, and created compacts with 16 developing countries under the Millennium Challenge Corporation. This strategy has created a new development paradigm based on results and improving the quality of assistance.

The United States will remain the world leader in advancing global development consistent with the Monterrey principles,

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even in these times of economic difficulty.

Press Release from the Millennium Challenge Corporation, December 5, 2008[23]

Ambassador John Danilovich, Chief Executive Officer of the Millennium Challenge Corporation (MCC) and Josette Sheeran, Executive Director of the United Nations World Food Program (WFP), today signed a Memorandum of Understanding (MoU) to coordinate efforts of their two organizations to reduce poverty and improve food security.

"This memorandum represents a concerted effort between MCC and the WFP to coordinate our assistance and to amplify the impact of our ongoing poverty reduction investments in agriculture," said Danilovich. "Increased agricultural productivity and food availability has benefits not just for the farmer, but for rural communities, urban consumers, and the global economy as a whole."

"Hunger is on the march. The global food crisis has plunged more than 75 million people into dangerous food insecurity—raising the total number of hungry people to 923 million," said WFP Executive Director Josette Sheeran. "This innovative partnership with MCC provides a new opportunity for WFP to link its humanitarian assistance with long-term solutions to hunger—and a new opportunity to help turn back the rising tide of hunger."

The MoU sets forth a framework of cooperation between MCC and the WFP to alleviate poverty and improve food security in three major areas:

Agricultural Production, Markets, and Food Security

Agricultural production is important for food security, providing both an output and an income source. Improving and stabilizing domestic production, the food supply chain, and local markets is essential for improving food security. The MCC-funded agricultural supply-chain investments and WFP's "Purchase for Progress" (P4P) initiative, which buys locally produced foodstuffs from small farmers, are areas of potential collaboration.

Food Security and Poverty Reduction Policy

Agriculture provides new opportunities for the rural poor to move out of poverty and away from food insecurity with supportive investments at local, national, and global levels. MCC and the WFP will exchange ideas and information on innovative approaches for more effectively engaging in host country policy dialogue that leads to key reform of policies and programs that alleviate poverty and improve food security.

Integration of Gender Policies, HIV/AIDS prevention in Agricultural Activities

Women are crucial to both agricultural productivity and food security, yet gender inequalities impede efforts to achieve the goal of nutritional food security. HIV/AIDS also has a negative impact on food security at the household level. MCC and the WFP will seek to coordinate program investments that improve food security capacities, reflecting best practices on gender, HIV/AIDS prevention and risk mitigation, and agriculture.

MCC and the WFP cooperation will focus on countries where MCC and the Alliance for a Green Revolution for Africa (AGRA) are already collaborating to improve agricultural productivity and market access. This extraordinary cooperation involving all three organizations' food security and poverty reduction program investments is an important example of how more can be accomplished by working collaboratively, sharing best practices, and coordinating information.

Remarks by USAID Administrator Fore, December 9, 2008[24]

Administrator Henrietta Fore delivered these remarks in Washington, DC

Administrator Fore. Thank you, Asif [Shaik]. For introducing me and, more importantly, for your many years of outstanding service to the Society for International Development.

To all of you here: Joining you today really does complete the circle.

Completing the Circle

We last gathered at a time that many of you described as more uncertain. The calls to reform America's approach to assistance were clear. They served as the most compelling motivation I could imagine to return to USAID.

When last we met, I had three key objectives for our time working together:

First: To seek a new consensus in international development—a commitment to collaborate in ways we never have before.

Second: I said we must put the host country—its priorities, capacities, norms, and local design—at the center of our collective thought and action. And,

Third: I promised we would revitalize USAID and the Office of Foreign Assistance—restoring capacity, improving execution, and bringing new coherence to our work.

Together, we have made real progress in the past one and a half years. Only you can decide whether the new momentum we have been sensing lately is real, or will be sustained.

I suspect it is, and will be.

What We've Accomplished

We do such extraordinary things together. In places as diverse as Afghanistan, the Balkans, Iraq, the Sahel, the Philippines, and Sri Lanka, NGOs, the private sector, and the United States Government have worked to support self-sustaining enterprise as an alternative to extremism and conflict.

We know what works. We know that when states embrace free markets and free trade, govern justly, and invest in their

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people, they create an opportunity of their own that supports pluralism and prosperity for all their citizens.

I saw it in Gulu, Uganda, in the work of Muslim leader Sheikh Musa Khalil, Anglican leader Bishop Ochola, the Acholi Paramount Chief's Representative Michael Otim, and their government officials. I saw it in Afghanistan, with girls walking to school and women farmers growing off-season vegetables. I have seen it in many other places around the world.

Revitalization

While many believed the financial crisis would have us backing down, in November the President said the United States would keep its development pledges, and its commitment to the developing world. We were the first country to say that. That says something important about the kind of country we are.

Since 2001, we have doubled our assistance to Latin America. We are on track to quadruple it for Africa. We have nearly tripled it worldwide.

Many of you have heard, and helped inform, my agenda to revitalize foreign assistance. We have shared more information, engaged more regularly, and—together—made real progress.

For FY 2009, we made the largest request in history for an increased operating budget for USAID.

Revitalization relies on talented people. We pushed to hire 300 Foreign Service officers—a 30 percent increase in our overseas workforce. This moved the Agency toward a doubling of deployable staff over the next three years.

With the strong support of Congress, we have already hired more than half of the new first-year officers (161), as part of the Development Leadership Initiative. These new classes bring diversity to USAID, with one third of the officers representing minorities. Nearly 60 percent are women; 92 percent speak more than one language-with a total of 71 foreign languages spoken, and have served in 48 countries.

The new officers have Peace Corps, NGO, private sector, and USAID experience. They are rebuilding our critical technical strengths: from financial controllers and contracting, to health and education, to democracy and governance, to agriculture and economic growth.

To make our people even more effective, I doubled the training budget and, as I committed to do, streamlined many of our foreign assistance processes. We have reduced the time it takes our missions to complete their country operating plans by as much as 80 percent. We have eliminated the need for approvals from Washington for a range of program and financial adjustments, to provide maximum flexibility. Now, we start with the field requests first.

We have gotten better at asking only for essential information, and asking less often. We have made strides in information technology, moving closer toward an "enter once, access everywhere, and anytime capacity."

We are quietly revolutionizing the way we share what we know. At the website "Global Development Commons dot-net," you can now search all USAID-funded project websites and all USG development information. That is over one thousand websites with over one million documents, and growing.

Have Our Institutions Kept Pace?

I have not felt such a sense of excitement and possibility in our profession in decades. But in important ways, this era is different. Have our institutions kept pace? I see no shortage of commitment and compassion in the larger development community. Our real challenges are: communication; collaboration; and coordination. This is what the people in the countries we serve tell us they really need.

So we have tried a new model. With the host country governments, we asked all of the development ministers to join me in a visit to Afghanistan, and later to Liberia, so that we could all hear and see, together, what those countries' development plans were, and to coordinate our efforts.

In Afghanistan, the National Development Strategy had just been finalized, so we were able to prioritize our efforts and support the country's plans. In Liberia, President Ellen Johnson Sirleaf convened a special meeting of her national development leaders. She told us what she and the people of Liberia need from us. All of us could hear it-multilaterals and bilaterals.

This made us all accountable for joint solutions. Focusing on the most critical issues. Brainstorming on how to collaborate together. It is through that kind of coordination, I believe, that the next administration can build a new American constituency for global development-in our country, and in developing countries.

Our institutions must adapt more rapidly to the dramatic shift in capital flows around the world. Last year, I challenged our Mission Directors to triple the resources leveraged by public-private partnerships by the end of FY 2009. They are well on their way. For FY08, USAID has leveraged $649 million in partner contributions and implemented 225 new public-private partnerships.

I have seen the effect in Brazil, where we are helping protect the Amazon rainforest while supporting economic growth. You can see it in the Democratic Republic of the Congo, in enterprises run by indigenous people.

In Azerbaijan and Iraq, you can see it in partnerships that combine private investment with public expertise. Real economic growth in two out of five sub-Saharan countries was triple that of the United States economy last year, on a base that rivals that of Southeast Asia in 1980.

But while there has been remarkable growth, many countries remain particularly vulnerable to rising food prices and financial crises.

For food and agriculture assistance, the United States will provide $5.5 billion dollars over this year and the next. We are focused on the agribusiness value chain from the producer to the consumer, and on public-private partnerships. We are investing in agriculture research, new technologies, and improved market systems and developing country farmers. All of which will improve the availability and access to a reliable and high quality food supply throughout the world.

Elevating Development

I do not think any of us would discount the implications of the work we do for national and transnational security. That is why this administration explicitly elevated development, making it integral to U.S. foreign policy alongside defense and diplomacy.

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Recognize our wide range of interdependent objectives, from national security, to post conflict reconstruction, to poverty reduction and humanitarian aid. Our challenge is to bring to bear-in a coherent fashion-all of the tools we have within reach.

We have created the Office of Military Affairs; posted Development Officers with every combatant command; and developed new policy on Civilian-Military Cooperation. Why? To let us work in increasingly insecure environments, coordinate with the Department of Defense, and preserve our core development mission and principles. But there is much more to be done.

The Future of Foreign Assistance

In times as turbulent as those we face now, it may seem a difficult challenge to continue to revitalize foreign assistance.

But it has never been more essential; never more clear that this country's well-being relies upon it. It will take a strong commitment, early in the new administration, to consolidate the gains we have made, and to maintain the momentum the world needs.

If I were to predict a future worthy of the people we serve, here is what it would look like:

Across the development landscape, USAID would take a leading role in driving a new consensus on aid effectiveness, and in acting as a convening catalyst between public and private sector resources and programs that support and accelerate human progress in the developing world.

We would continue to embrace the wider development community, devoting more of our management, technical expertise, and financial resources to coordinating and leading international development.

In the Development Assistance Committee of the Organization for Economic Cooperation and Development three decades ago, we used to meet with the Kuwait Fund and the Arab Fund. I would suggest we do so again, collaborating with the sovereign wealth funds in the Gulf and elsewhere. We also should collaborate with China, India, Brazil, Korea and other growing programs. We would anticipate and avert duplication of effort; break down sector silos through country-based planning and incentives for cross-sector work; and build more partnerships with new technical expertise to make us demonstrably more effective on the ground.

In the years to come, USAID would double its foreign service ranks again-to 4,800 Foreign Service officers-adding more depth and breadth in leadership, and more technical and language skills.

We would focus more on small and medium enterprise in rural areas, preparing youth for jobs, the crucial role of women in civil society, and grassroots business development.

The next Administrator would develop a coherent and collaborative international development strategy. One that directly addresses the interdependence of economic growth, democratic political systems, poverty reduction, water, energy, and environmental impact, and identifies common goals and the means to achieve them, in an integrated way.

Working closely with Congress, we would make strides to clarify American foreign assistance priorities, gather all entities and agencies under civilian leadership to coordinate management, dollars, and implementation with flexible, but accountable, programs, world class talent, information technology. We would have the ability to plan for long-term development in stable states, be responsive to country-owned development strategies, and act in an unrestricted and smart way in crises.

I hope that this is a future many of us would like to see. I know it is one that we can all make happen.

Call to Action

Together, we can be very proud of the progress we have made. While the world has changed dramatically since we last got together, three imperatives remain that I hope you will take to heart:

We must continue to seek a new consensus in international development, through public-private partnerships and multi- and bilateral partnerships.

We must put the host country (and our people in the field) at the center of our collective thought and action. And,

We must continue to revitalize USAID and the Office of Foreign Assistance. I'll close with one very good reason why.

Last week in Doha, at the UN Financing for Development Conference, I ran into a delegate from El Salvador, Ana Vilma Albanez de Escobar, who is that nation's vice president. She asked me, "Do you know what the best training is for being the vice president of a country?"

Then she told me, "It was working for USAID for ten years. That got me ready for everything-democracy, economics, the rule of law, health and education. It was everything a country needs. I learned so much." And she is using it. She is using it all.

I am so proud to have been with you, to help write this most recent chapter in the most important story humanity will ever have to tell.

I cannot wait to see how-and how well-things will unfold from here.

Thank you for being my partners—all of you. As a team we have made real progress together. We came together as a community, and that has made it a great tenure as your Administrator of USAID.

Remarks by Secretary of State Rice, December 10, 2008[25]

Secretary Condoleezza Rice delivered these remarks in Panama City, Panama

Introductory Remarks have been omitted

Secretary Rice. The Pathways to Prosperity in the Americas Initiative aims to build on the remarkable democratic consolidation of our hemisphere over the last two decades. The nations of the region, amidst different traditions that we embody, are still consolidating the powerful convergence of ideals and interests. We agree on first principles, that the path to greater opportunity and social justice is different for every country. But its features are similar: democracy in the rule of law, responsible governance and open economies, and investment in the health and education of our people.

Our governments know that when you

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invest in people, they can fuel your societies' economic and social transformation. Thus, democracy, development, and social justice are partners in delivering for humankind. Our governments also know that the truly great challenges of our day can best be met by marshaling our complementary strengths and abilities in the service of our shared goals. Our leaders recognized in their joint communiqué in New York on September 24th that to fully realize the benefits of trade liberalization and open markets, we must promote, integrate, and advance all aspects of our hemispheric, economic and development agenda.

Our discussions today will focus on five key paths to achieving these goals: increasing the capacity for small businesses and farmers to take advantage of trade; deepening regional trade; expanding regional cooperation on economic development and competitiveness; better coordinating labor and environmental standards and enforcement; and engaging the private sector and civil society in our efforts.

For the United States, the Pathways Initiative also builds on our bipartisan commitment to supporting democratic partners in tackling the challenges of poverty, inequality, and social exclusion. Our hemisphere's potential is enormous and our success is linked intimately to the success of our neighbors. In recent years, most democratic governments in our hemisphere—left, right and center—have been doing the right things to help more people prosper. They have been opening markets and expanding opportunities, boosting trade and attracting investment, fighting corruption and enforcing the rule of law. We respect the results that they are achieving and we are supporting them.

Under President Bush, with the support of Congress, the United States has doubled development assistance to Latin America and the Caribbean. We are working to unlock the vast potential of our region's citizens by investing in improved healthcare and education, in access to capital, in economic infrastructure and security. Here in Panama, for instance, we have established the first regional healthcare training center where medical professionals from six countries are receiving training that they can carry home to their fellow citizens.

The United States has also worked to forgive billions of dollars in debt that too long hampered the potential of some of the poorest nations in the region. And through the Millennium Challenge Account initiative, we are allocating assistance where it will have the greatest impact: in countries that demonstrate a commitment to political and economic freedom, in healthcare and education for their people, in the sustainable use of natural resources, the control of corruption, and respect for civil liberties and the rule of law.

Through the Millennium Challenge, we have begun to fulfill nearly $1 billion in commitments to our compact partners like El Salvador and Peru and Paraguay that are governing justly, promoting economic freedom, and investing in their people. Our challenge in this period of financial turmoil, in this period of uncertainty, in this period, frankly, of great concern, we must sustain our commitment to the principles and practices that are proven to reduce poverty and expand social justice. Market economies and global trade and finance regimes, like any system designed by men and women, are not perfect. But they are engines of opportunity and social justice.

So I am gratified by the participation of so many important parties in this Pathways Initiative. By coming together to renew and build on our commitment to trade and investment liberalization, we send a powerful signal that we are not going to repeat the mistakes of the Great Depression when nations deepened that crisis by turning inward and adopting protectionist policies. Free trade and open markets remain the surest path to growth, and it is the path that our region will follow to prosperity.

There are other important ways for nations to demonstrate their commitment to open markets. One is to fulfill the G-20 commitments to refrain from imposing new trade or investment barriers for the next 12 months. The United States Congress also has an immediate opportunity by passing our free trade agreements with Colombia and Panama, and—as well as the South Korean Free Trade Agreement. And this Administration will continue urging it to do so.

Passage of FTAs would cap a decade and a half of dramatic expansion of free trade and economic integration in our hemisphere. More importantly, it would create an unbroken chain of free trading nations stretching from Canada to Chile, spreading prosperity and enhancing competitiveness of each country in today's globalized economy.

So with a clear sense of the importance of this initiative, I look forward to learning about the priorities of our partners, to exchanging thoughts and proposals of how we can ensure that this shared vision of greater opportunity and social justice for all of our citizens is indeed realized. Thank you very much.

Press Release from the Millennium Challenge Corporation, December 11, 2008[26]

The Millennium Challenge Corporation (MCC) Board of Directors selected Colombia, Indonesia, and Zambia as new countries eligible for large-scale grant funding under the U.S. Government's innovative foreign assistance program to reduce poverty through economic growth. Following today's announcement these countries may begin the process of applying for the five-year MCC compacts. Since its inception in 2004, MCC has approved compacts totaling over $6.3 billion with 18 partner countries.

"Congratulations to the newly eligible countries selected to participate in the Millennium Challenge Corporation program," said MCC Chief Executive Officer Ambassador John Danilovich. "Your commitment to good governance and dedication to promoting economic freedom and investing in your people has placed you among a select group of countries working diligently to reduce global poverty through sustainable economic solutions."

In addition, Liberia was selected as eligible for MCC's threshold program which provides smaller grants to help reform-

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minded governments improve their performance on the policy indicators necessary for participation in the compact program.

"Over the past several years, Liberia's performance has improved significantly on many of the MCC eligibility indicators. The Board took note of the strong evidence of Liberia's commitment to reforms that will foster economic growth and poverty reduction," said Ambassador Danilovich.

In making its country selection decisions, the Board considers the policy performance of candidate countries using 17 indicators in three areas—Ruling Justly, Investing in People, and Encouraging Economic Freedom. These indicators measure countries' demonstrated commitment to policies that promote, among other things, political and economic freedom, investments in education and health care, control of corruption, and respect for civil liberties and the rule of law. The Board also takes into consideration the opportunity for MCC to reduce poverty and generate economic growth, and available budgetary resources.

Ambassador Danilovich added, "Being eligible for MCC funding does not mean a country will automatically receive a compact. Governments must demonstrate leadership in the broad-based consultative process to develop proposals that address barriers to poverty reduction and economic growth."

The Board noted Jordan, Malawi, Moldova, Philippines, and Senegal will be able to continue the process of developing compacts in fiscal year 2009.

"Given sufficient resources allocated by Congress, MCC looks forward to long-term partnerships with these countries as they create their own plans to empower their poorest citizens," said Ambassador Danilovich.

"The Board agreed that the Philippines remains eligible for developing a compact proposal, but emphasized that MCC will not sign a compact until the country passes the indicator criteria on corruption. The Board also reiterated the importance of this principle with respect to all its partner countries. The Board called upon the Government of the Philippines to intensify its efforts to fight corruption and will closely monitor the country's performance," said Ambassador Danilovich.

The Board also voted to suspend assistance for new activities under the $175 million MCC compact in Nicaragua because of actions taken by the Nicaraguan government that are inconsistent with MCC's eligibility criteria. MCC will therefore not approve disbursements for activities not already contracted by MCA-Nicaragua. The political conditions leading up to, during, and following recent elections in Nicaragua were not consistent with MCC requirements that include a commitment to policies that promote political freedom and respect for civil liberties and the rule of law.

The Board called on Nicaragua to develop and implement a comprehensive set of measures to address concerns regarding the government's commitment to democratic principles. The Board will review the response of the Nicaraguan government and determine subsequent actions at its next quarterly Board meeting in March 2009.

"The MCC model is based on aid with accountability and good governance. The Board determined that recent actions by the Nicaraguan government were inconsistent with MCC's core principles and therefore had to take this difficult decision," said Ambassador Danilovich. "Nicaragua's compact with MCC benefits hundreds of thousands of poor Nicaraguans by providing better roads, property titles, and agricultural business support. For the sake of the poor of the country, we sincerely hope that the Nicaraguan government recommits to the principles of democracy and the rule of law so that MCC can reestablish what has been an effective partnership. It should be remembered that our partnership with Nicaragua is dedicated to both poverty reduction and good government policies."

The MCC Board also decided today not to reselect Bolivia, Ukraine, and Timor-Leste as eligible for MCC compact assistance. The Board did, however, designate Timor-Leste as threshold eligible and invited the country to submit a threshold program proposal. MCC will continue to work with Ukraine as it implements its ongoing threshold program specifically addressing weaknesses in its policy performance. In addition, the Board decided that Yemen is no longer eligible for threshold program assistance.

The Board also reviewed progress made on reform measures initiated by the government of Armenia over recent months. The Board reiterated its concerns about the status of democratic governance in the country and underlined its expectations that the government of Armenia fulfill commitments to implement substantive reforms. The Board noted that it would again review Armenia's performance and examine continued collaboration with the country during its March meeting.

Today's meeting is the last for the public members of the Board who are members of the current administration.

"It has been an extraordinary opportunity and privilege to serve with the members of the Board," said Ambassador Danilovich. "The MCC is strengthened in fulfilling its mission to reduce poverty through economic development by the dedication of worthy public servants from the Department of State, Department of the Treasury, the U.S. Trade Representative, and USAID and also by our four private sector Board members. My fellow colleagues at MCC deserve abundant praise and credit for their great achievement in creating what is now internationally acknowledged as an innovative and successful model of development assistance. Our Deputy CEO, Rodney Bent, will remain at MCC to ensure continuity of our model and country programs during this period of political transition."

Press Release from the U.S. Agency for International Development, December 16, 2008[27]

The U.S. Agency for International Development (USAID) hosted a signing ceremony today to launch the Power to Lead Alliance between USAID and CARE USA, an international non-governmental organization. USAID Acting Deputy Administrator James R. Kunder and Dr. Helene Gayle, President and CEO, CARE USA both participated in the ceremony.

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USAID has awarded CARE approximately $3.7 million to implement the Power to Lead Alliance.

In addition to the $3.7 million in funding by USAID, CARE is also providing $3.7 million in leveraged funding to the program in partnership with Cargill, Oracle, and the Vodafone Foundation. The goal of the Power to Lead Alliance program is to promote girl leaders in vulnerable communities by: 1) cultivating opportunities for girls to practice their leadership skills; 2) creating public-private partnerships to promote leadership; and 3) enhancing global knowledge to implement and promote girls' leadership programs. The countries participating in the program are Egypt, Honduras, India, Malawi, Tanzania, and Yemen.

1 U.S. Agency for International Development Press Release, October 1, 2008.
2 U.S. Agency for International Development Press Release, October 10, 2008.
3 Millennium Challenge Corporation Press Release, October 10, 2008.
4 Treasury Department Press Release, October 12, 2008.
5 U.S. Agency for International Development Press Release, October 12, 2008.
6 Millennium Challenge Corporation Press Release, October 15, 2008.
7 Millennium Challenge Corporation Press Release, October 17, 2008.
8 Millennium Challenge Corporation Press Release, October 20, 2008.
9 U.S. Trade and Development Agency Press Release, October 20, 2008.
10 White House Press Release, October 21, 2008.
11 Dept. of State Press Release, October 21, 2008.
12 U.S. Agency for International Development Press Release, October 21, 2008.
13 U.S. Agency for International Development Press Release, October 29, 2008.
14 Millennium Challenge Corporation Press Release, November 18, 2008.
15 U.S. Trade and Development Agency Press Release, November 19, 2008.
16 U.S. Trade and Development Agency Press Release, November 20, 2008.
17 Millennium Challenge Corporation Press Release, November 20, 2008.
18 Millennium Challenge Corporation Press Release, November 20, 2008.
19 Millennium Challenge Corporation Press Release, November 25, 2008.
20 U.S. Agency for International Development Press Release, November 28, 2008.
21 U.S. Agency for International Development Press Release, November 29, 2008.
22 U.S. Agency for International Development Press Release, December 2, 2008.
23 Millennium Challenge Corporation Press Release, December 5, 2008.
24 U.S. Agency for International Development Press Release, December 9, 2008.
25 Dept. of State Press Release, December 10, 2008.
26 Millennium Challenge Corporation Press Release, December 11, 2008.
27 U.S. Agency for International Development Press Release, December 16, 2008.

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