

THE BROOKINGS INSTITUTION

GLOBAL ECONOMY AND DEVELOPMENT PROGRAM

**Inaugural Global Agenda Forum**

**Panel: The Road Out of Poverty: New Players Transforming the  
Development Landscape**

Featuring:

Jamie Drummond, Executive Director, DATA

Homi Kharas, Visiting Fellow, Wolfensohn Center, Brookings

Sebastian Mallaby, Director, Maurice R. Greenberg Center for  
Goeconomic Studies, CFR

Jane Nelson, Nonresident Senior Fellow, Brookings

Moderated by Lael Brainard, Vice President and Director,  
Brookings

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MS. BRAINARD: For the final panel, we're going to be talking about new players transforming the development landscape. I think it's fair to say that global poverty has never been hotter. The field has probably never been more crowded.

We have been witnessing the advent of what we like to call philanthropists who are using their mega fame to advocate on behalf of the world's poor. We're also seeing new mega philanthropists getting even bigger. Everyone was wowed with the establishment of the Bill and Melinda Gates Foundation. Well, everybody was doubly wowed again when Warren Buffet more than doubled the size of the foundation. This new wave of philanthropy dwarfs all previous episodes, including the Rockefellers and the Fords.

Many of the newcomers, having themselves created a lot of wealth in the private sector, are bringing private sector approaches and private sector mind-sets to the development challenge and are very much focused on entrepreneurship in the developing world.

The "philanthropreneurs," like Ebay founder Pierre Omidyar are very much bringing this kind of mind-set to their philanthropic ventures. Then there's also a growing trend of home-grown philanthropists, people who after having made their fortunes on a global scale are taking their fortunes and redirecting them back to their countries of origin, people like Mo Ibrahim, who created a prize to strengthen African leadership.

There's also China and India who are getting into the game, as is the U.S. military. Large corporations are increasingly supporting innovative market-driven approaches and public-private partnerships to address things ranging from poverty, to youth employment, to health. While exciting, these developments also bring with them several risks.

I'm hoping that the panel may start to shed some light on these issues today: can mega philanthropy find the right partners and approaches to operate on its large scale? And the bigger they grow, the bigger the questions of accountability? While China's investments are welcomed, its approach to environmental and social impact may not, and we can go through the list.

So to address this, we have four panelists. I think what I'll do is introduce each in turn and maybe give each of them one or two questions. Then when we get through the panel, I'll open it up to the rest of the audience so you can also pose some questions.

I'm going to start with Jamie Drummond. Most of you I'm sure know Jamie. He is the executive director and co-founder of DATA, Debt AIDS Trade Africa. DATA has played a leading role in advocating for big increases in U.S. assistance over the last three years in areas including HIV/AIDS and the MCC. Jamie's also recently catalyzed, along with several other organizations, the One Campaign, which calls for a 1 percent increase in U.S. federal assistance to be directed towards developing countries.

Through his work at DATA, Jamie's worked closely with Bob

Geldof on the G-8 Summit in Gleneagles, and previously, he worked as the global strategist for Jubilee 2000's very successful Drop the Debt campaign.

So, Jamie, having been at the center of some of the biggest advocacy success stories in recent years, give us a sense of what has changed in the environment that has enabled advocacy to play such a powerful role in recent years than it was able to do in previous decades?

MR. DRUMMOND: Thanks, Lael, and good afternoon, everyone.

Without reciting the long history that many of you already know, there was a fairly successful campaign in 2000 called Jubilee 2000 for debt cancellation. Jo Marie Griesgraber was essential to that. Many of you were very involved in that campaign.

It enabled us to bring together this coalition that included faith groups, celebrities, and pop stars, which has been written about quite a few times, who met in September '99 in the Vatican with Pope John Paul II - a meeting of the pop stars and the popes. A couple of days later, President Clinton went forward with a 100 percent debt cancellation. That was a kind of classic moment. Many of you know about that. From that, we built many other efforts often using the same model.

I think the thing I'd really like to talk about is not so much sly advocacy strategies and roping celebrities in to create more heat for these issues. I think the really interesting new player is the public. Celebrities are just a means to an end -- they know that -- and the intelligent ones are willing to

work with us to afford that.

The point, really, is engaging the general public to interest them in development policy. Best epitomized by the most boring subject, really, was debt cancellation -- it's hard to imagine something as dull -- and debt sustainability frameworks, and the rest of it, but not something as important.

To get the public interested in something like that was terrifying for policymakers. They had to do something about this subject.

I think the really interesting player is the public and the implications of that for policymakers. Really the public is an agenda setting audience, which is an interesting development. Generally, when we're trying to bring new players into development, whether it's a diasporic community, businesses, or dealing with China and India and their involvement in, say, Africa, it's the price of new constituencies' engagements. Especially when you're looking, say, at the United States, and engaging faith groups for the price of their engagements, all of those conversations with the general public result in new angles on development that threaten established development policy.

I think we noticed that when there was more oxygen and publicity on hitherto, secret, arcane development practices. It encouraged and forced change. It happened, to some extent, in the United Kingdom in the early '90s when there was a campaign to try to encourage reform of what was then the overseas development administration. We got the public engaged in the debate.

We're hoping to do that much more aggressively here in the United States over the next couple of years in the build up to the next presidential campaign. It'll be a similar kind of engagement with the general public about how their tax dollars are being spent, why they could be spent a lot better, and why a lot more should be spent.

We noticed when we first got celebrities involved that many were irritated about their engagement. What do celebrities know? What we now know is that they were irritated because we were actually getting the general public engaged. The policy experts often didn't like that because the public demands accountability differently for the way in which their tax dollars are spent.

We could talk about that more later on. I don't want to ramble on too much. There are lots of other new players on the scene that I think the rest of the panel will be talking about as well.

MS. BRAINARD: Let me just ask you whether you think there are any risks associated with that; as the public does get involved, does the message need to be changed in some way? Are there risks of disappointment, or a backlash, or exemplifying in ways that ultimately might prove not to be --

MR. DRUMMOND: Yes. There are absolutely dangers. Drop the Debt is a simplification. Let me explain. Celebrities are necessary for mass media. They generate excitement. They generate opportunity and possibility. They can, therefore, let people down if they don't fully deliver.

I think we want to engage many more people and bring more people -- actually, that's what we're trying to do, is be servants of democracy; encourage more discussion about these issues if they're really important. They're really about central foreign policy issues.

If they're really about hundreds of millions of lives, billions of lives and billions and billions of dollars, there needs to be a really aggressive public debate and not some quiet little thing that can be sorted out in a back room in Congress or at the World Bank and the IMF. It needs to be a very aggressive public debate. It can get a bit gnarly sometimes, but it's important to try and get the best policy into that conversation. The best policy has to be challenged.

I think one really important thing that we're horrified by at the moment is the poor quality of the statistics supplied by the G-8 nations to the OECD DAC, for example. It's really a growing scandal: the self-reporting that goes on there, the lack of clarity, and poor quality information. There's no consistency between what the different countries are really reporting.

Who can tell what's going on? Cutting a check in Congress, arriving in Africa, and then no one has any idea whether it actually arrived until four or five years later. Therefore, how can you find out what's really going on? How can you adjust if something's not really working? Those kind of things need to be scrutinized much more closely.

The public will expect that their dollars will save

millions of lives. They want to see the results. Some people talk about results simplistically, but they all want to see results. It's a good thing.

MS. BRAINARD: Let me turn now to Sebastian Mallaby. Sebastian Mallaby is newly next-door as director of the Maurice Greenberg Center for Geoeconomic Studies. Many of us know him from his columns in the *Post* over many years. Prior to that, I think at the *Economist*.

Sebastian has lived all over the world and, among other things I think relevant to this conversation, wrote a wonderful history of the World Bank under the leadership of Jim Wolfensohn, entitled *The World's Banker*.

I have to quote this. An essay in the *Financial Times* said that "Sebastian's book may well be the most hilarious depiction of a big organization and its controversial boss since Michael Lewis' *Liar's Poker*." I just saw that for the first time. I thought that was great.

Sebastian, you've been surveying this field from a variety of different angles. One question I wanted to ask you is, as these new entrants are coming into the field, how do the official development agencies, the World Bank and others, adjust? How do they respond to the new players?

MR. MALLABY: That's a good question. Obviously, it links to what you were asking Jamie before, what is the impact of the celebrities? Do they cause a backlash?

I think Jamie was being a bit modest, actually, in his answer in the sense that the way to make the celebrities



constructive is to pair them up with organizations like DATA, which kind of provides them the training and the tuition that they need to go out there and advocate, not randomly, but rather specifically and rather effectively.

I've been asked to come along and witness one of the discussions where a rather famous movie star was being trained in understanding the impact of trade on development. I think that right there is an example of the kind of safeguards organizations are taking against the backlash.

In terms of the impact of new development players on the bigger picture -- clearly, private philanthropy is one of the ones that you outlined at the beginning. I'd like to qualify what you said a little bit.

You began by saying that the new philanthropists, the Gates Foundation and so forth, are really unprecedented in scale. Well, in absolute terms, that's true. I have a couple of numbers here.

A century ago, when the Carnegie Corporation was set up, it had an endowment of \$135 million. The Gates Foundation, last time I checked, which was a couple of months ago, had \$32 billion. So, yes, it is extremely big. But compared to federal spending, federal government spending in the U.S., it's much, much, much smaller. So the endowment of the Carnegie Corporation a century ago is about 20 percent of the federal budget. The Gates Foundation's endowment stands at around 2 percent or a bit less than 2 percent of the federal budget.

In other words, private philanthropy a century ago arrived

at a time when the welfare states and public spending generally was very low; therefore, there was sort of a blank page. The Carnegie Corporation helped to set up the public library system and helped to establish social security in this country. There was this sort of blank page on which to write. Now the government has arrived and has scribbled all over the page. So the challenge for new philanthropists is to find the bit of the picture which hasn't already been covered by the government.

When you look at the mixed track record of official aid, and you look at an organization like the World Bank with 10,000 development professionals -- who spend their whole career and all of their energy on figuring out how to spend aid well, yet still get criticized for not always spending it efficiently -- why do we have any confidence at all that newcomers to the scene will get it right? Whether it's Pierre Omidyar from Ebay or Bill Gates or whoever -- these may be very smart people but they haven't spent their entire careers thinking about development. So if the professionals don't always get it right, why do we expect the newcomers to get it right?

I think that a lot of skepticism is warranted, and some of the new spending that one's seen already is a sort of naive thing. You see these people coming from a business background and thinking, well, "the traditional problem in the aid industry was that there was no acknowledgement of the role of the private sector and the private sector's contribution to development. We

come with our entrepreneurial way of seeing the world, and we will really shake things up and make a bigger impact than the government ever could."

Well, first of all, the premise is wrong. I mean, official development assistance has always been about creating an enabling environment for the private sector precisely. In fact, it was precisely the belief in markets and in business that led official development to be wildly criticized in the 1980s because it was all about creating the price signals and so forth to make entrepreneurs succeed.

The idea that the new wave of philanthropy, which comes along and says, "Hey, look, we've discovered something new; business is important," this isn't new at all. It's always been recognized that business is important. Furthermore, if your response to that so-called insight is to start giving money directly to businesses, it's kind of an ironic position. If you believe anything about the private market, responding to price signals, you kind of believe that business should respond to those incentives without philanthropy coming in and giving it a bunch of money to do it.

When the Omidyar Network says it's going to give money to for-profit enterprises, is that really helping those for-profit enterprises to do something that they would not have done already? It seems to me if there is a profit opportunity there, you don't need to give them philanthropic money.

Equally, microfinance, particularly after the recent Nobel Prize, seems to me a wildly, oversubscribed area in development.

I mean, if there are sort of good borrowers out there, it's quite likely that local lending institutions are going to lend unless, as is often the case, there is a policy obstruction, a sort of regulation obstruction, to doing this microlending.

So, really, the blockage in microlending is not absolute dollars, which seems to be the premise of some of the new philanthropy -- it's not just that you need to pump extra millions into this thing; it's that you need to fix the regulatory framework in developing countries to enable microlending to take place.

All of that is sort of a long way of saying that I'm not sure that, actually, new private-sector philanthropy is a) as big as sometimes thought in relation to federal spending, nor is it as innovative as it is sometimes thought, and b) there's a danger of overlapping both with what the government's already doing and with what the private sector would do by itself without a special push.

I think the new philanthropists have to really fight to discover things which are in that little gap between what the private sector is doing anyway and what the government agencies are doing anyway.

I'd just conclude by saying there are three things that seem to me to be fruitful endeavors for new philanthropy. One is advocacy, advocating for policy changes. That's sort of what DATA and Jamie are involved in. It seems to me that is something where a private business is not going to go out and spend a lot of money adopting politically controversial

positions when it has other political interests to consider in its relationships with government.

I think it's pushing the edge in advocacy. There's room to take unpopular issues on and push them, as individuals have done with decriminalizing drugs. That's a legitimate and important role for private philanthropy.

A second thing I think is being a risk taker in the sense of backing sort of long-short development investments that may have no pay off at all. When governments are getting aid, they are accountable to taxpayers who may not be very patient if there's no tangible result. Private philanthropy that's answerable only to the founder can do something like Gates did and put all of its AIDS money, pretty much, or at least a chunk of it, into one small country like Botswana and accept that it might not pay off. I think that kind of risk taking, sort of model building, is a positive kind of experimentation.

Sadly and finally, I'd say that consistency in backing particular projects is something that private philanthropy can be better at than government. Government is subject to political fashion. They can be into women in development one year, AIDS financing the next year, and universal primary education the third year; the budgets will jump around and there won't be much long-term follow through. This can be a big problem in getting private investor support or whoever else if you can't have confidence that the money that the government is promising this year at this G-8 summit will also be followed through on in two years time. Why, if you're a private company,

would you invest in making vaccines if you don't know that the enthusiasm politically will last long enough?

The Gates Foundation has gotten around that by funding a vaccine purchase fund very successfully, by quarterbacking it, backing that effort and saying, look, we don't have to respond to public opinion. We respond to, basically, one couple -- they're saying one -- and if we say we're going to do something, we can stick to this for five or ten years. I think that consistency factor is a third way in which intelligent selection as a niche can make private philanthropy less of a failure than it would otherwise risk being.

MS. BRAINARD: All right. I want to pick up on this issue of the private sector and get Jane Nelson to come in.

Jane is many things. She's a director of the Corporate Social Responsibility Initiative at the Kennedy School at Harvard. She's also here as a senior fellow and has worked at the U.N. on I think the U.N. Code of Conduct with the private sector. She also was a vice president at Citibank and previously a lecturer in agricultural economics and originally from Zimbabwe.

Jane has been working a great deal on this issue of the private sector and the private sector's role in development. We've witnessed a growing development footprint of multinational corporations.

I'm just wondering if you can comment on what role corporations can play, have played, should play, and how significant this trend is.

MS. NELSON: Thanks, Lael. I also hope to pick up on a few other comments made.

I think the role of the private sector is increasingly significant, but with a few caveats. If you look at the number of multinational corporations operating around the world, the U.N. estimates that there is now something like 77,000 transnational corporations, which is double what it was 15 years ago. And they have some 800,000 affiliates operating along their global value chains with millions of small and medium-sized enterprises as part of those value chains. So certainly the number and reach of global corporations has increased.

We also know the statistics on the increase in foreign direct investment going to developing countries, which I think in 2005 was about \$334 billion. There's no doubt that there's been an increase in the overall impact of multinational corporations.

But, before I talk about their role in tackling poverty, I think there are three very important caveats that we need to remind ourselves of. First of all, when we look at the increase in foreign direct investment, it goes to a relatively small number of developing economies, as a number of people have already said today. Even within those developing or emerging markets, it goes to particular regions. You have the great disparity in China or India, for example, where foreign investment and even domestic investment are going to selected urban areas, with a growing income disparity between these and

other regions.

The second caveat -- and, again, someone else has raised it today -- is I think that there's a danger in putting too much of the onus and the potential on multinational corporations and on foreign investment, because it's domestic private sector growth and development that's going to be critical to the sort of long-term growth and sustainability that is needed to alleviate poverty. To me, when we're looking at multinationals, it's how they link with the domestic enterprises and help to build domestic enterprise and local economic infrastructure that is key.

The third caveat I'd raise before looking at the role of multinationals is that there's a tendency to look at the role of the private sector and multinationals in a vacuum in relation to the political climate in which they're operating. I think it's so important to look at corporate responsibility and the role of business within the broader governance context because the private sector influences this environment and is obviously very much influenced by it.

For a company operating in a country with weak governance, for example, particularly the extractive sector which often has to operate in such conditions, companies are both more constrained in terms of what they can do, while the expectations, responsibilities and the spotlight are even greater in terms of their impact.

With those caveats, though, I'm a great believer in the role of the private sector and particularly large corporations,



both multinational and domestic. While I think there's enormous diversity, depending on industry sector, governance context, et cetera., I think there are three main ways that most large corporations can support or can have an impact on development, either positive or negative.

First and foremost, although I think there's a tendency to always jump to philanthropy when you look at the private sector, I would say that the most important factor is how a company operates its core business operations: its products, its processes, its value chain, its marketing, and its employment practices.

When you look at the Coca-Cola system, for example, it's one of the biggest employers in Africa. Companies like Chevron and Exxon are investing billions of dollars on a relatively long-term basis in a number of African and other emerging markets. UPS delivers something like 80 million packages a day, and what they could do through their logistics capabilities is so much greater than they could do through other activities that do not harness their core competencies.

I think it's first and foremost about understanding the core business impact of companies. To me there is both an enormous risk and an enormous opportunity. The risk is that those operations have a negative impact.

I think one of the most interesting developments we've seen in recent years is the emergence of collective initiatives such as the Extractive Industries Transparency Initiative in the extractive sector, the Equator Principles in the financial

sector, or the Fair Labor Association in the textile sector, where groups of companies are coming together, sometimes with governments and other actors, to create new accountability mechanisms -- often because there are governance gaps either nationally or globally -- to try and ensure that the impact of their business operations are, at a minimum, not negative and aim to 'do no harm'.

These institutional innovations and new types of collective alliances that minimize and mitigate risk are an area we need to understand better.

Obviously, the opportunity side is how we can leverage the incredible competencies and logistical and operational capabilities of business to ensure that there is as much of a positive contribution made to host countries and communities as possible. Whether it is water companies expanding their delivery capabilities beyond initial franchises, or ICT companies extending access to their technology, pretty much every single industry sector can have some positive impact on alleviating poverty through new types of product and process innovation. Therefore, in addition to just doing their core business in a responsible way, what are the innovations a company can undertake to impact development in a positive and economically viable manner?

To me, that's the first packet of things to look at; how the company runs its core business, aiming to do no harm and trying to leverage its positive impact.

Secondly, I do think there's a role for corporate

philanthropy. Many argue that it's just about the core business and that corporate philanthropy doesn't have much impact. I do agree with Sebastian. While one has to be somewhat careful on the potential one attributes to the philanthropy side, just like private philanthropy, I think corporate philanthropy -- particularly if it's competence-led and uses both the competencies of the company that is doing it and the skills of its employees -- can be incredibly valuable for social innovation. Corporate philanthropy partnering with a private foundation or with the government -- tackling the type of things that a company wouldn't be doing with its core business necessarily, but which have some link to the core business -- can be very effective. The Shell Foundation or Chevron supporting energy-development projects or energy-related enterprise development in developing countries would be a good example. If they can do that and create partnerships with others, they can leverage the funds a lot more.

I think one of the areas of great potential is employee volunteering. We're seeing more and more examples around the world of companies leveraging not just philanthropic dollars or product donation programs, but actually engaging their employees in partnerships with NGOs and governments on a range of development issues.

For example, you have the Cisco Networking Academies. There are now over 9,000 of these networking academies in over 140 countries. I think in some cases we've gone beyond little anecdotal examples to some real systemic impacts. There's

Chevron, USAID and a number of NGOs, who have jointly established the Angola Enterprise Fund, which is having a nationwide impact. Sebastian mentioned the Merck-Gates partnership in Botswana, which is also having a systemic impact at the national level. So I think you can get some real leverage with the philanthropic dollar if it is aligned to core corporate competencies and invested in partnership with others.

Thirdly, I think in addition to the way a company runs its core business and supports competence-led philanthropy, the third role that companies can play -- and probably a slight disagreement with Sebastian here -- is not so much the public advocacy role, although they have a role there as well, but, actually working to improve the enabling environment and public institutions and policies, not just for private sector investment. I think groups of companies can work more together on education reform for example, or on supporting the Doha Round. It's difficult, I agree, for an individual company to do that or for an individual company operating in a country with weak governance to tackle the government on corruption. But groups of companies working together on some of these difficult issues I think can be very effective.

In South Africa, for example, there's a group called The National Business Initiative, which has had quite a big impact on education reform there and a number of other national development challenges. I think getting companies working together in groups -- at either a national level like NBI, or within an industry sector like the Extractive Industries

Transparency Initiative -- to address some of the governance and enabling environment challenges is another area where we'll be seeing new mechanisms evolving and where I think business can play a role.

To me, it's in those three areas that business can play a key role in alleviating poverty. Obviously, there will be varying impacts, whether it's an information technology company or an energy company or a bank, but I think that any large corporation with an interest in developing countries should be asking the following questions;

What do we do in our core business? How do we manage the risks and leverage our competencies?

What can we do in corporate philanthropy that's really supporting innovation and mobilizing our employees?

And finally, what can we do, particularly collectively, to try to improve the overall, enabling environment, and beyond just the economic enabling environment?

MS. BRAINARD: Let me now switch focus a little bit and ask Homi Kharas to comment as well.

Homi is newly appointed here at Brookings in the Wolfensohn Center for Development. He was previously the chief economist of the East Asian Pacific region of the World Bank and director of the region's Poverty Reduction and Economic Management department prior to that.

Homi has been looking a lot at China in particular. I'm just wondering if you could comment on China as a model for

development for poverty alleviation for other countries, whether it offers lessons or whether in fact it's so unique that there is not as much potential learning from China as one might hope.

MR. KHARAS: Thanks, Lael.

I think that there are a lot of lessons that come out of the experiences of countries like China and indeed the rest of East Asia, where you've had real development success stories. Earlier on this morning, I think there was a reference to 48 African heads of state going to Beijing, talking to the Chinese about the kinds of ways that they had gone about development both in terms of growth and poverty reduction efforts. I think that's indicative of the kind of knowledge exchange that's happening between countries that have had these experiences.

China I think is also emerging as a bigger player, not just through its example, but also through its specific actions. These days, there's a great deal of commentary on China's role as a new aid donor. I think that that's something that differentiates it from some of the earlier successes of countries like Singapore, for example, which, actually, even though they've been very successful haven't made that transition to being a donor. It's only very recently that Singapore contributed to things like the World Bank's IDA.

If you think about whether this is a good thing or not such a good thing, I think it's useful to try to look objectively at global trends in the official aid business. I think one thing that many people have agreed on is that there should be more of

it. There's a lot of advocacy on this. From that point of view, even though there aren't any real numbers on countries like China or India in terms of what they give, we know from various stories that it's quite significant.

One of the things that the World Bank does is it often hosts consultative group meetings, where countries get together and pledge monies for countries. We did this in Cambodia last year. The donors as a group got together. They pledged \$600 million. Now, China isn't part of that official grouping of aid donors. The very next week, Premier Wen Jiabao came on a state visit to Cambodia and the Chinese pledged \$600 million themselves.

Certainly for some specific countries, these amounts are significant and substantial, and at the end of the day, it adds up to more resources globally. If you really believe in aid and aid effectiveness, then surely that's a good thing.

The second trend I think that's happening in international donor aid is that there's a lot more discussion about country ownership and this recognition that, really, it's very difficult to run development from the headquarters of official agencies. That's why conditionality really got a very bad name thanks to the efforts of these broad debt relief advocates, like Jamie.

This whole pendulum has swung towards emphasizing "ownership". There you find that the developing countries that give money -- China, I know about Thailand, India, et cetera -- have really gone to the extreme in this regard. They typically give money with almost no strings attached, at least

no economic strings. That indeed is the source of much of the criticism that they come in for. But the general proposition that they're giving money to support what governments of these countries are trying to do is very much in line with what I would say is now more orthodox and modern development lending.

Third, I think there's been a real move towards trying to measure the impact of donor aid in terms of its effectiveness on growth. There's enormous literature now on whether aid generates more growth or not. It's slightly controversial. In academic circles you have findings on both sides. The interest I think in that literature is very much an interest in what others have called results. They want to see aid going to growth with the recognition that growth is what ultimately leads to poverty reduction.

Then you look and you ask, well, what is it that these kinds of new donors are doing? The answer is very much that they are lending for what are being termed "core growth activities." This is infrastructure. This is the roads and bridges and the railways, the connection.

Earlier when we were discussing Africa, people said this is what Africa really lacks. It's a huge country, lots of land-locked nations, major problems in getting the garments to the market, et cetera. What do they need? They need better infrastructure. They need better logistics. That's really where you see the heart of these new donors' activities.

Lastly, I think in approaches, people have said, "Well, aid isn't really enough. It has to be wrapped up in a broader



concept of development." People talk about "whole of government" approaches. This is something that the Australians, for example, have embraced wholeheartedly. Basically, what it means is that all kinds of engagements have to be considered not just in terms of aid, but also in terms of trade, in terms of foreign direct investment, and in terms of broader cooperation.

It shouldn't come as much of a surprise that the way in which you see many of these new donors starting to do their business is more regional, more aligned with their own economic interest where they are actually doing their trading, where their firms and businesses are going. It's very much I think in the same sphere as broader economic cooperation.

Where does that leave us? It leaves us, though, with the uncomfortable recognition that when these new players enter into the aid business in this way, it generates more competition. It generates a situation in which a different set of countries will be able to get resources. It means that some of the things that the official donors are trying to do, including greater country selectivity, becomes much harder to do.

There I think is where the tension really lies. It lies in whether one believes that harmonization and trying in some sense to get all of the donor agencies together to operate as a single voice and with single intentions, whether that is really the answer to improved aid effectiveness or whether competition, country ownership, more aid resources, to some degree new technologies, is really going to be the answer.

I bring in the point about technologies because where

people look to countries like China for experiences, they're really looking to ask questions about implementation; "how was it that you guys actually were able to do it"? It's the developing countries who are usually faced with the same set of implementation problems, and that's what they're trying to learn about.

I think if these new forms of donor agencies can build on their implementation successes and transmit some of their knowledge about the way in which you build institutions -- not just to build these assets but also to maintain them -- that will prove to be enormously valuable.

MS. BRAINARD: I wanted just to respond to some of that and push you a little bit.

On implementation, clearly, that's where the Chinese model is very impressive. That's a point well taken. A couple of other things occurred to me as I was listening to you.

One is that these guys lend for infrastructure in Africa but, obviously, the money is fungible. We don't know whether that's really creating more infrastructure or whether the money that would have gone to infrastructure otherwise is being diverted. That's like an open question.

The bigger point is that you got around to the selectivity point at the end, but it seems to me that that's absolutely crucial. I mean, the idea of ownership, which has become, and rightly, the conventional wisdom in the aid community, wouldn't be wisdom at all unless it was linked to selectivity. You only believe in giving ownership to a developing country to do what

it wants with the development money if you believe that the developing country in question is going to use the money well because it's basically on the right track. Not all of these countries are on the right track; therefore, you have to be selective. That's the principle in the Millennium Challenge Account. That's the principle, to some extent, in IDA; I think increasingly over the last 10, 15 years, in IDA and the World Bank.

You can't just believe in ownership without believing in the selectivity. If China's idea of selectivity is basically selecting countries where it has business interests as opposed to countries where it thinks there's good governance going on, that is fundamentally undermining, surely, the western understanding of what is going to make development work.

If you, basically, believe the money by itself is likely to be effective only in good governance environments, and yet China is giving money to poor governance environments -- Sudan for example -- what is the residual incentive for a government in Africa to switch from bad governance to good governance?

MR. MALLABY: I was going to say that the G-8 on keeping their funding promises and backing up our selectivity are contentious from Montreal, Canada, (off mike), or New York, or what might be redefined in (off mike). If we're not backing up what we want these countries to be doing in terms of good governance and so on, with the actual aid that we promised, we're on thin ice. If you look at the statistics, China is still not giving as much as we promised to do. If we were

keeping our promises, I don't think the problem would be as big.

That's one point, which I think is quite important. There's a lot of talk about China but it's distracting us from the fact that we're not doing the stuff we said we would. When you take the Millennium Challenge, for example, or a number of other things -- we're extremely concerned about the Europeans, for example, not keeping their funding promises. The United States under-promised but is currently delivering on its promises.

MR. DRUMMOND: I didn't mean to cut in there. When we talk about selectivity, you've got to keep your side of the bargain before you can start criticizing others for undermining it.

MS. NELSON: Just to add another point to Sebastian's on the China impact, it plays out not only in terms of incentives for governments but also I think incentives for the private sector. A lot of work is being done on human rights accountability mechanisms for corporations, such as the Extractive Industries Transparency Initiative. When you've got the Chinese and other companies coming in that aren't part of that group, it also takes away the incentives for other companies that are participating, but are also having to operate in a very competitive environment. I think that's another potential challenge which we need to address.

MS. BRAINARD: Homi, did you want to respond?

MR. KHARAS: Just a quick word on fungibility. If we think of where the big changes in the aid architecture have come

recently, there's an Education for All movement, there are global health initiatives, there's the Global Environment Fund.

All of these things tend to be quite sectoral in nature. If you really believe in fungibility, you certainly shouldn't be organizing aid in this way.

What there isn't in the world is a global infrastructure facility. Why should we worry more about fungibility when it comes to infrastructure than we do when it comes to other sectors? Fungibility obviously is an important point. It obviously is present, but I think it can also be overblown.

To me it's a little bit like perfect competition. We know and we believe in the value of competition in achieving efficiency, but I think we also know that the world isn't quite as simple as that, and perfect competition doesn't imply that there aren't super normal profits at some point. I think the same is true with many of these infrastructure projects. They probably wouldn't be built, and probably not at the kind of speed if it weren't for a donor, whether it's Chinese or somebody else, coming in and actually making it happen.

MR. MALLABY: Perhaps I made the classic debating error of making two points, thereby allowing you to respond to the soft ball and ignore the hard ball. The hard ball is, surely, if you undermine the selectivity, which I think most of us believe in, then there's no incentives either for these governments in poor countries to switch to a better policy environment, or, as Jane says, for the corporate sector to press the point.

I mean, Sudan being a good example, you've got divestment

campaigns trying to force corporate social responsibility on oil companies operating in Sudan. So some of them have pulled back, and now their place is run by Chinese and Malaysian oil companies, which don't care about any of this stuff.

MR. KHARAS: I think that there are two points to be made about the use of economic incentives for achieving non-economic ends. I think that this isn't just a question about aid; it's also a question about trade, and there's an enormous debate about whether sanctions are or are not useful and effective at achieving changes in policies.

Certainly, I think that in the region that I'm familiar with, it's quite debatable whether the economic incentives that have been offered to countries like North Korea, or indeed to Myanmar or Burma, have been terribly valuable in actually bringing about significant change in the way in which economic policies happen in those countries.

More than that, I think that just as one can give the example of Sudan, let me come back to the example of Cambodia. The issue is not whether or not this government is being supported. It is being supported by the international community. There is a fairly substantial aid program in Cambodia. There are probably I would guess somewhere around 900 international experts from the U.N. system on the ground actively working in Cambodia. One couldn't say that this is a country which is a sort of a pariah in that fashion. Additionally, one could certainly not say that this is a country with good governance and, therefore, worthy of all our support.

The only point I'm trying to make is that when you get countries like China -- and China isn't alone in being a major country supporting Cambodia, Thailand is doing exactly the same thing. What's happening is that these countries realize that their neighborhood is rather important to them and that there are a variety of neighborhood effects. Whether it's migration concerns, issues of trade in exotic animals, or human trafficking, there are a whole host of issues that are being discussed in a regional forum and on a regional basis where problems cross over from one country to another country, and aid is part and parcel of that discussion.

So it's a much broader discussion, and it's a broader discussion around regional cooperation. That is one of the big differences to be made with broader international aid, which is really a discussion focused around global public goods. So there's a different dimension that's also being brought in by some of these more local players.

MS. BRAINARD: Let's go to Sam Worthington for questions.

MR. WORTHINGTON: It was interesting to hear a discussion of new actors in the development scene and to not hear civil society as part of that conversation. Maybe it's viewed as part of the establishment, but if you look maybe to Jamie's point, of public engagement, and we're now looking at about \$5 billion from the American public going to U.S. NGOs, that's just one country. If you mirror that around the world and you look at the relationship between civil society actors on the ground in the burgeoning relationship between north and south civil

society, you get a sense that it may be about a billion people living parallel to the global economy or outside the global economy. These inexperienced actors serve as the interface between the underserved citizenry and their societies' social services, and health and education systems. To ignore that is interesting.

It implies that somehow their ability to transform their own lives is not relevant to development.

Continuation.

QUESTION: (In progress) -- we ought to help other countries.

MS. BRAINARD: Reaction?

SPEAKER: I think that's a good point. I think that just speaks to the point that developing countries do own their own development; it is not just a slogan, but whether they proceed or not depends nearly all on their own effort. Aid can play a slight role in catalyzing better policy, but not more than that.

QUESTION: It is primarily their responsibility.

SPEAKER: And I think someone was talking earlier today about more aid going into capacity building, technology cooperation, and things like helping with the development of policy think tanks throughout Africa and strengthening civil society in developing economies in general. I think there is a lot more that aid could do to help build local capacity so that they have a growing determination for their own future.

MR. SHIN: My name is Dennis Shin. I am with Catholic



Relief Services, another -- voice. This question is directed at Jane. Given some of the existing challenges with multidonor coordination on the ground, how is that challenge exacerbated by adding multinationals to the mix? And specifically, what would you say would be the responsibility of multinationals when they come in country to make sure that they are not reinventing the wheel, working at cross-purposes, or potentially crowding out other activities?

I think in general -- groups' review of private-sector involvement is a real plus, a real boon, given some of the reasons the panel has laid out as far as creativity and the ability to try different things and react on a dime. The flip side of that though is as far as commitment. What is to ensure that corporations don't come in and perhaps lay something out very strategically and then a quarter later or the next year pull out due to other competing concerns?

MS. NELSON: There is nothing that guarantees that they will stay other than the fact that a lot of corporations have a long-term agenda. We have talked quite a bit about the short-term view of corporations, but I think a lot of times, and this is particularly the case with foreign direct investors, extractive and infrastructure companies, and often the agribusiness companies, that they are in for quite a long period. But with that caveat, I think there is a coordination challenge just as there is with donors and with NGOs, and I do think there is real potential for more collective initiatives at a national level where groups of companies loosely work together

to keep each other informed and mildly coordinated. There are some very interesting mechanisms that are beginning to emerge that do just that, like the National Business Initiative in South Africa and the Philippines Business for Social Progress. There are groups of companies, 100 or 200 at a time, that are coming together to promote greater awareness amongst each other, while maintaining their company's autonomy.

I think there is a growing awareness among the companies with which we work, that even on the corporate philanthropy side the traditional mindset used to be we will throw corporate money at it and we can make important decisions later. There is a realization now that it has to be a much more deliberative, thoughtful process in consultation with local civil society organizations, local community groups, et cetera.

I think that the major multinationals are going about it in a more thoughtful way, but the coordination between the donors and the multinationals or the NGOs continues to be a big challenge.

MR. DRUMMOND: I was going to make maybe a general point which is that the new breed of philanthropists, who are successful businessmen or investors and are putting all their capital into new forms of foreign assistance, and also the general public which, maybe not so much in the United States yet which will change, but in Europe especially, is much more engaged in poverty campaigning and development issues than has ever been the case before -- apart from a brief spurt in the mid 1980s.

There might be an interest between the general

engagement of the general public and these new philanthropists in a kind of much more hard-headed approach to development and aid than has been the norm for the last couple of decades; a much tougher, demanding approach to it which will be uncomfortable for some of the established players but will result in very good things when the voices of these players have been heard. I think that those factors, bringing the general public to the table to have a conversation about development policy and what they actually want their money to go into, and the turn on investment approach of the new philanthropists could be an interesting combination in terms of challenging the status quo. Maybe that is an incredibly obvious point.

MR. MALLABY: I would say it was very unobvious. I think what you are saying implies that there is a consensus amongst the development experts that has existed prior to the arrival of the people at the bargaining table. This consensus was sort of fixed and static and sort of divorced from reality.

I regarded its consensus as being on the contrary, that it changed all the time. If you look at the World Bank, it went from a period in the 1950s of believe that infrastructure was the key -- that it was all about physical capital. Then in the 1960s and 1970s it was about social capital, human capital, health programs, education, and family planning. Then it was about the price signals and the macroeconomic environments around these human and infrastructure projects, so you had structure adjustments trying to get prices right, currency policy reforms.

Then in the 1990s we moved from this economics around the projects to the politics, i.e., the governance around the economics. So the consensus among the development experts has shifted constantly. These are the most sort of self-critical, argumentative, adapting kind of group of people there is. The Washington Consensus makes it sound static. It has never been very static, actually. And the idea that we should really be hard-headed and get returns on investment, when people actually try to come up with metrics to give more aid more effectively and to measure it and so forth, they normally wind up calling the World Bank's economics people for help. That is what the Millennium Challenge Account people did. They went straight to the World Bank and asked how to do it, having themselves criticized the World Bank for not doing it at one point or other. I think that the establishment is rather more sophisticated and less static than the belief in newcomers.

SPEAKER: But if you looked at -- messages about how well IDA money is being spent and so on and so forth, could it be improved?

SPEAKER: To say that something can be improved is not to say that somebody else is --

SPEAKER: Quite a lot. I guess what I'm saying is it is not about the prevailing development policy, rather it is more about what it is actually achieving. You are the experts, so what is it achieving? And I think it is that feedback mechanism which is not as good as it should be and it is not telling people what actually is happening. It sounds

simplistic. Behind it there is a little bit of --

MR. MALLABY: Should I shut up?

MS. BRAINARD: I wonder whether the feedback is in country? Right now we are talking about the feedback here in the donor countries, which is one important source of accountability. But the much more important source of accountability, which is I think what Sam was talking about earlier is the following: is it working on the ground, are there stakeholders on the ground, how are they evaluating the results, and are they part of the process? That piece I think has been a long time in coming and it is still difficult to effectuate in some places where civil society is weaker, where the government is particularly dysfunctional.

I think I saw three hands up. Then maybe I will just bundle them and then let the panel fight amongst itself for the remaining moments. Colin, Johannes, and Andrew?

MR. BRADFORD: Colin Bradford from Brookings. I just wanted to pick up on the conclusion of challenge number 10 in Lael's book of 10 economic challenges where it mentions the need to harness the new players in development and bring them together around a single plate, and mention that I think one of the complications in this new game is that many of the private players are actually not accountable. Therefore, there needs to be some way, maybe several ways, to figure out not only how to harmonize or coordinate among the new players and the traditional players, the official players and the public and the private players, but also how to hold them accountable.

The Millennium Development Goals are useful as a metric for holding people accountable because there are as you know, Jamie and others, there is a whole metric of indicators out there. But there is this problem that you pointed out; China, for example, is not a member of the OECD and some of you had critical and concerned comments to make about the role of the OECD and DAC in taking up its role in accountability.

The question I really have is what is the site, where is the site where private and public players can come together, where new official donors, and where the Chinese might feel comfortable going? How do you insert the public, the people, into that kind of a venue? Is there a possible forum in which this could happen?

MS. BRAINARD: I am going to give Jo Marie a 10-second add-on to that question.

MS. GRIESGRABER: There is a new U.N. conference on development that is forming. It is going to be an annual conference that brings all of the donors together, and the Chinese and everybody else should feel welcome. They should have a side room to bring in the private donors. I do not know if they will, but that is where China will feel comfortable.

MS. BRAINARD: Johannes?

MR. LINN: Johannes Linn from Brookings. I would like to push a bit more on this conditionality debate and in particular ask all of you do you think the new donors, the new players, do not have conditionality? China is an example of conditionality of a different kind -- oil or gas or whatever. I

do not believe the Chinese do not have conditionality of some kind? They have expectations, they want certain things, and my hunch is they are going to get it. It may be that they'll be more affected in the way this conditionality plays out than say the World Bank has been. Similarly in the case of Gates, do you believe that Gates will not expect some government or some of the health sector representatives with whom they've worked to not meet certain conditions in the implementation of their programs? Of course they will.

Similarly, large multinational corporations when they invest expect certain conditions to be met on the ground. They negotiate very hard if they are not met. If contracts are not honored, they will sue or whatever. So I think this notion that only the aid donors have conditionality is to my mind a bit naïve, frankly. I think conditionality is always there when money changes hands.

The question is conditionality good or bad? Is it a high level like MPT? MPT has conditionality at a higher level and at a lower level. I think this notion that we need to do away with conditionality to my mind is a naïve perspective of the problem and the real question is what is the right conditionality, at what level, and what kind of instrument do we consider?

So I think that when we see the new players in fact not having conditionality or how do they apply the conditionality is a topic for a separate debate, but I wanted to put that on the table.

MS. BRAINARD: Andrew?

MR. WARNER: (Off mike.) when we ask countries to come forward with previous studies of impact -- unfortunately they do not come up with a previous study that goes much beyond platitudes in talking about -- if there is any small innovation among the new development players it is something that we find -

MS. BRAINARD: I guess each person should be free to take at least a minute to address four small things, accountability, coordination, conditionality, and assessment. Let's go in reverse order. Tell me.

MR. KHARAS: I do think that new players have their own sense of what it is they are trying to do and the accountability structure to achieve those objectives according to their own preferences, if you will. So I actually think that it is very exciting to have new experiments like the Millennium Challenge Account which has a very specific, transparent set of indicators by which it will measure success. I think that that is likely to be quite different from the indicators that let's say a Gates Foundation will use, and in turn, I think that that is going to be very different from the kind of indicators that a new donor like China will use.

I absolutely agree with Johannes. I think that in each and every one of these cases there is "conditionality" in the sense that each one is hoping to get something for this kind of assistance. It is not pure altruism. And I think that that is quite an important recognition because it suggests that efforts to harmonize everything will inevitably have significant



transaction costs because at the end of the day you have difference governance arrangements of the various players and different accountabilities.

So the MCC I do not think believes that it will only be effective if it can have every other donor change their behavior in order to go along with it. Correct me if I am wrong, Andrew. I think it can achieve its objectives by itself.

So I think as you get this multiplicity of players, part of what will happen is that the old efforts to try to harmonize and arrive at a very well-planned development approach have to give away to much more fluid arrangements where you get very different types of planning processes which allow space for each individual player to operate.

MR. DRUMMOND: One quite interesting fact on perceptions of effectiveness, does appear to be the case that when one looks at how people view aid effectiveness, recipients, and this is broad stakeholders in developing countries, not just government officials, but most of the polls that I have seen seem to indicate that recipients have a much higher view of the effectiveness of aid effectiveness than donors. That I think is interesting if you believe that the better information and knowledge comes from those on the ground, you would be quite useful to bring that perspective more into the debate and I very much hope that civil society organizations and others will do more of this and build up, if you will, the developing country voice in thinking about effective development architecture.

Which one am I doing?

MS. BRAINARD: You're last because you were first.  
You get the last word this time.

MS. NELSON: On the question of accountability, one of the challenges particularly having a global-level structural mechanism where all the players come to the table, is that while it is relatively straightforward in terms of who represents States, who actually represents the corporate sector let alone who represents civil society? In theory the International Chamber of Commerce represents business, but it gets very difficult at the global level ensuring non-State representation.

So I agree, I think we will see a lot more diverse mechanisms emerging as accountability mechanisms, which are either issue-based or sector-based, like the Voluntary Principles where mining and oil companies, governments, and human-rights NGOs have come together or business associations developing initiatives with labor rights organizations. I think we will see a whole multitude of such accountability mechanisms emerging rather than one global mechanism.

Also on the NGO side, we saw some very interesting accountability developments last year -- 11 of the world's leading development, human-rights, and environmental NGOs formed something called the International NGO Accountability Charter, which served as an indication that they recognized that if they were going to be pushing governments and big corporations on accountability issues, they needed to be more accountable themselves. So I think we are seeing a lot of really interesting institutional innovations beginning to emerge and

new accountability mechanisms, which are still at a very early stage but worth looking at.

Then very quickly on the assessment and impact side of things, certainly on the corporate side, there are at least four major projects underway at the moment. One is an effort by the World Business Council for Sustainable Development to better understand the development impact of business and develop indicators and measures to help companies, civil society and others who are interested in companies to understand what their overall impact is. So I think we are seeing some interesting measurement approaches also emerging on the corporate side.

MS. BRAINARD: Sebastian?

MR. MALLABY: I liked Jamie's point about the way that aid is often deemed more effective by the recipients than by the donors, because I have this sort of guilty sneaking suspicion that the push for better measurement of impact can be overdone.

It sounds perverse to say that we do not want better data on what the impact of programs is and it sounds like the motherhood and apple pie thing that we should all want better data. And any journalist like me who has been bracketed here along with the Hollywood celebrities in your categories of players would be so unserious as to say we do not want more data. But seriously, I think that the issue is that without measurement, either you measure the direct output of our project or you are measuring numbers of clinic buildings that you put up in a country, in which case someone will say, "But how do we know those clinic buildings actually result in better health?" Or you measure the

real output to better health, but then you do not know whether it is because of your project which built the clinics or whether it is because they had a good harvest and nutrition improved. Or somebody else came along and built great schools so mothers were newly literate and then their kids could have better access to health care because their mothers are literate. You have multiple things going on.

But if you measure the proxy outputs, you do not know if it is the real output. If you measure the real output, you do not know if it is your project really that created this, and I think getting around that problem is a noble quest, but one could over invest in this quest relative to the amount of progress you had actually made.

MS. BRAINARD: Last word.

MR. DRUMMOND: On that point, debt cancellation we estimate helped put 15 to 20 million to school in Africa, but it has been disappointingly hard to find out how many more it has helped not entirely dollar for dollar -- you could make those kinds of calculations.

The people who invested emotionally and so on and so forth and the policymakers who took the hard political decisions to put forward that money and make the legislative heavy lift and the public and church groups that campaigned for it have some kind of a right to know what happened as a result of, for example, debt cancellation, and the same goes for all the other initiatives that we will campaign to achieve together hence. I think my point is not so much about the smart, pointy-headed

friends at the World Bank and the IMF not being self-critical enough but, rather, whether we are having a good enough dialogue back with the people who we are trying to invest in, newly invest in, or whether they are getting feedback about whether it is changing anything. We are going to have to go back to that whether it is a politician or the public, in Europe or America again and again and again, so it just needs to be a really healthy feedback mechanism. We can have debates about the quality of the aid statistics and we need to. I think it is extremely boring but really important, like debt cancellation. What was I supposed to talk about?

MS. BRAINARD: That is what you were supposed to talk about. That was assessment, and the other ones were accountability, conditionality, and coordination. Are there any of the others you would like to talk about other than assessment, since you have already hit one of them? Issues of accountability?

MR. MALLABY: Of celebrities? You can pick up the paper any day -- held accountable in it. I am sorry, I have lost the point of the question. In terms of accountability of aid, of governments, of the new players?

MS. BRAINARD: Some of the new actors, some of the new players.

MR. MALLABY: (Off mike.) The Gates Foundation, for example, spending a lot on health, but is accountable to who?

SPEAKER: (Off mike.)

MR. MALLABY: I do not know exactly, and there is a

representative of the Gates Foundation here who would be delighted to answer the question I am sure. Again, he will be held accountable by the general public. I would say there are probably few organizations as scrutinized as the Gates Foundation, and it is a pressured environment to work at I'm sure because everyone is pouring over every decision you make. The bigger you are, the harder you fall, so there is always a lot of scrutiny. There is a lot of attention, which could also be said of Bono -- and deep pockets create a high place from which one can fall. But it should not be too high a price to dissuade other people from getting engaged.

I think part of my point at the beginning was that there sometimes is a cozy cabal of people involved in that stuff in terms of development policy. You feel a very strong sense of ownership over how things have been done, and it is just really good to jostle things up and challenge it, and if they come along and make a few mistakes, that is fine. Eighty percent of new startups in the Silicon Valley failed? Am I right? It is okay to make mistakes. It is actually essential. I am sorry, that is a very -- way of answering your question.

MS. BRAINARD: Let me wrap up now. I want to say a word because it is the end of the day, and I want to say with regard to new actors, this program at Brookings at Global Economy and Development is one of the new actors. We hope to help make the dialogue and the debate on these issues richer and more interesting. We hope to be a good partner to many of your organizations. We are already partnering with some of you and

we hope to be a good convening forum for debates like this one. So today is a good start to that.

We started the day with one of the most successful CEOs in India surprisingly talking about a train ride where he was not able to get food for 72 hours because he was so poor, and as we went through the day we talked about the rising powers. We had a lunch where we talked about Africa. Then we came and talked about some of the richest countries and some of what they are looking at in terms of the reaction to globalization, and now ending up with this discussion here on the many new actors in the field of global poverty. Our hunch is that these issues are deeply interconnected, that people tend to like to compartmentalize them, but in fact they do actually have very deep connections to each other and I think the discussions over the course of the day very much reinforced that for us.

I want to thank someone who I do not see in the room. Yes I do -- Ann Doyle, who put this whole thing together.

(Applause)

MS. BRAINARD: And many others in the room who helped.

I will say that this program is not here to celebrate globalization, nor is it here to condemn it. We are here to bring interesting and out-of-the-box solutions to some of the challenges posed by globalization. This evening we are here to celebrate the program, so please have a drink on your way out. Thank you for coming, and we look forward to you continuing to tell us what you think is important and interesting as we define

our research agenda going forward.

There is a feedback form in your packets. Please fill it out because we would like to hear how you thought the day went.

Finally, I want to thank this panel which was lively and interesting, and I think the topic could not have been addressed in a better way, so thank you very much.

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