



## 2009 NATIONAL SUMMIT REPORT



**ON MAY 6 AND 7** the IGD 2009 National Summit brought together a broad cross-section of business leaders in Washington, D.C. to advance a bold strategy to reduce global poverty. We had a clear premise for our convening – that poverty reduction and global development should be key elements of U.S. foreign policy and that economic growth is the best means of reducing global poverty. The interactive roundtable discussions and keynote speeches built on the Summit’s premise and addressed three key questions:

- What are the success factors and best models for promoting growth and reducing poverty? What are the obstacles and how can they be overcome?
- What can business do to promote open trade as a key development tool and to counter protectionist impulses in both developed and developing countries? What policy reforms would ensure that developing countries benefit more from integration into global markets?
- How can we improve our foreign assistance programs and leverage the strengths of the private sector to achieve broad-based sustainable growth in the developing world?

The discussions and polling throughout the Summit demonstrated strong corroboration for IGD’s agenda and a clear commitment by those present to engage in advocating for more open trade, smarter foreign assistance and the sharing of innovative business models for sustainable poverty reduction.

We are deeply grateful for the wise counsel and leadership of our 2009 National Summit co-chairs, Colin L. Powell and Madeleine K. Albright, and thank General Powell in particular for his compelling address and for his presence throughout the event. We would also like to express our gratitude to the many extraordinary speakers. Their expertise provided rich content for the Summit and their commitment to the issues exemplifies the power of business leadership in promoting development and poverty reduction.

This report documents the proceedings of the Summit, as well as a summary of policy findings and outcomes. In response to the invitation extended by General James L. Jones in his keynote remarks, IGD will be following up with the Obama administration to advance the recommendations of this meeting and to develop more effective mechanisms for business and government to work together to meet our shared objectives.

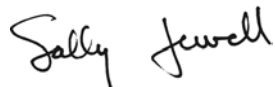
Sincerely,



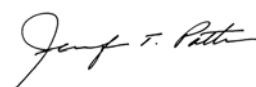
Tim Solso  
Chairman & CEO  
Cummins Inc.  
IGD Board member and Summit co-host



Carly Fiorina  
Former Chairman, President & CEO  
Hewlett-Packard Company  
IGD Board member and Summit co-host



Sally Jewell  
President & CEO  
Recreational Equipment Inc. (REI)  
IGD Board chair



Jennifer Potter  
President & CEO  
Initiative for Global Development (IGD)

## CONTENTS

- 4 Remarks by General Colin L. Powell
- 5 Congressional Leadership Award
- 6 Initiatives for Enterprise Growth
- 8 Opening Markets
- 10 Remarks by General James L. Jones
- 11 A Better Future for Us All: Mary Robinson and Jim Lehrer
- 12 Investing in Africa’s Future
- 14 Investing for Development
- 16 Frontier 100
- 17 Outcomes and Recommendations
- 18 IGD Leadership Council
- 19 2009 National Summit Sponsors



IGD Leadership Council members Jim Kolbe, Sally Jewell, Bill Gates Sr., Jennifer Potter, Daniel Evans, Jane Nelson, Colin Powell, Dick Swanson, Faryar Shirzad and Tim Solso

## REMARKS BY GENERAL COLIN L. POWELL

**General Colin L. Powell**  
Former U.S. Secretary of State



Colin Powell

General Powell opened by recalling that as Secretary of State, he became increasingly aware of the immensity of the problem of global poverty, recognizing that there are billions of people in desperate need, struggling to get by on less than \$2 a day. As the richest nation on earth, Powell argued, America has a solemn obligation, embedded in our history, our culture and the very fabric of our lives, to reach out to the rest of the world. Sometimes this engagement has been with hard power – for example in the fight against the Nazis and the spread of communism – but we now have just as solemn an obligation to deploy our resources against poverty.

Our new president has excited the world, and President Obama's election reflects what the world has always believed about America – that we are a nation of nations, diverse and always trying to be a better country. The president and Secretary Clinton have already shown a commitment to do more with respect to development assistance, encouraging representative and democratic governments and tackling infectious disease.

Poverty is at the core of each of these issues, explained Powell, and poverty will only be solved by a coherent campaign that includes all of the nations of the world. Yet governments cannot do it alone. Here at home, it will take the administration working closely with Congress to pass a new Foreign Assistance Act and to articulate that foreign aid is not simply charity but an investment that enhances U.S. security by helping poor nations move up the political and economic ladder.

The real value of IGD is the leverage it brings to this effort. The people attending the Summit and throughout the IGD network represent the power of the American private sector and enterprise system. Powell emphasized that it is in business' interest to get more deeply involved and to demonstrate constructive engagement throughout the world – to show that companies can make a profit and at the same time represent the best of America by helping to improve the communities in which they operate.

General Powell asserted that the new administration presents a great opportunity to make America a better place – and the world a better place. The rest of the world believes in America, believes in its value system, and looks to it for inspiration, Powell said, but above all it looks to America for help, through the kinds of programs and policies to be discussed during the Summit and to which President Obama and Secretary Clinton have committed themselves. The actions of the business community – which has the wealth, the knowledge, the talent and the experience to enable the rest of the world to improve its economic well being – will be the key to reaching our collective goals. Powell closed by thanking the attendees for their presence at the Summit, for all they do each day in their businesses and in their personal lives to carry the American message of opportunity to the rest of the world, and for the contributions they will be making in the future.



Congressman Adam Smith receives award from Bill Gates Sr. at the Summit



Bill Ruckelshaus and Jennifer Potter present award to Senator Richard Lugar at the Senator's office

## Congressional Leadership Award

At the opening of the 2009 National Summit, IGD honored Senator Richard Lugar and Congressman Adam Smith with the inaugural Congressional Leadership Award. The award recognizes their consistent and significant efforts to advance policies that promote economic growth and reduce poverty around the world. IGD co-founders William D. Ruckelshaus and William H. Gates Sr. presented the awards.

Senator Lugar was selected for his leadership on farm subsidy reform, support for agricultural development and food security in poor countries, and his dedication to sustaining and improving the Millennium Challenge Corporation (MCC).

Congressman Smith was chosen for his leadership in efforts to bring greater coherence and efficiency to U.S. development policy by sponsoring the Global Poverty Act, working for broader reform of foreign assistance programs, and promoting trade policies that catalyze investment and growth in underdeveloped countries.

“Taking action to vastly reduce global poverty must be one of America's top foreign policy priorities. As one of the richest countries in the world, it is not only a moral imperative that the United States do more to help the billions of people living in poverty around the world, it is also in our national security interest. I look forward to working with my colleagues to continue improving and strengthening programs that aim to reduce global poverty.”

–Congressman Adam Smith, speaking at the 2009 National Summit

# INITIATIVES FOR ENTERPRISE GROWTH

## Panelists

**Eduardo Castro-Wright**, Vice Chairman, Wal-Mart Stores, Inc.

**Neville Isdell**, Former Chairman & CEO, The Coca-Cola Company

**James Mwangi**, CEO & Managing Director, Equity Bank Limited

Discussion led by **Walter Isaacson**, President & CEO, The Aspen Institute

Summary by **Robert A. Mosbacher Jr.**, Former President & CEO, Overseas Private Investment Corporation (OPIC)



Neville Isdell, Eduardo Castro-Wright and James Mwangi

One of IGD's fundamental beliefs is that poverty can be reduced by driving economic growth and investment in developing countries. The Summit session on Initiatives for Enterprise Growth looked at success factors and obstacles to promoting growth and development and asked whether new models are necessary.

Discussion leader Walter Isaacson opened by asking whether it is possible to use economic growth to reduce poverty

around the world. Neville Isdell responded that the two are clearly linked but a challenge is that civil society, business and government have not worked effectively together to translate growth more directly into poverty reduction. Isdell said his mantra is that "globalization without localization equals alienation," meaning local conditions determine the extent to which global growth provides concrete benefits for communities. This approach has allowed Coca-Cola to distribute in very poor areas where traditional distribution channels can't work – such as Kibera in Nairobi or West Point in Monrovia – by using a system of very small distributors who deliver products by tricycle from a central distribution center. There are some 2,500 of these in Africa alone, employing thousands of people.

Eduardo Castro-Wright explained that Wal-Mart has had success using its business model to build the capacity of producers to reach global consumers. In Guatemala, the company partnered with USAID and Mercy Corps to teach 4,000 to 5,000 farmers sustainable farming methods, enabling them to produce products for Wal-Mart stores throughout Central America thereby boosting the farmers' incomes and providing environmental benefits.

There was consensus on the panel that doing well does not conflict with doing good even though explicitly targeting economic development may raise costs. Castro-Wright said that Wal-Mart revised its value proposition to shareholders three years ago to include the concept that the company has a responsibility to the larger society. Companies need to incorporate the requirements of all stakeholders into their business strategy, he argued. If these ideas are built into the framework that drives the business, a company will typically end up delivering the financial returns expected but in a sustainable way.

Panelists agreed that frontier markets are where future growth opportunities lie for most companies. Isdell pointed out that 95 percent of the world's population is outside the United States and most companies will not be satisfied until it accounts for 95 percent of their business. Castro-Wright



Walter Isaacson and Neville Isdell

concluded that focusing on those markets is good business as well as the right thing to do. This is part of the hope of Africa, Isdell said; we are now seeing African entrepreneurs who understand the potential in their domestic markets and who are implementing local solutions.

James Mwangi stressed that business fundamentals are the same around the world even though customizing products for local consumers and finding a workable distribution system is required. He added that success in these markets often comes through collaboration and suggested that companies focus on what they do best and work with others on the rest.

Mwangi asked the other panelists whether U.S. business has a role in addressing structural challenges such as health, education and environment in developing countries. Isdell responded that there are no sustainable businesses without sustainable communities and said there clearly is a leadership role for multinational companies to play in promoting sustainability and encouraging investment in infrastructure. Castro-Wright said that philanthropy is not sustainable unless it is part of a company's core business strategy – if it is not integrated, it will be the first to go when cuts are needed. Isdell added that consumers now want to know the values behind the businesses they buy from, and that embedding

those values in the business has real benefits in terms of employee engagement as well.

Speaking on behalf of IGD, Rob Mosbacher reiterated the key themes of the discussion:

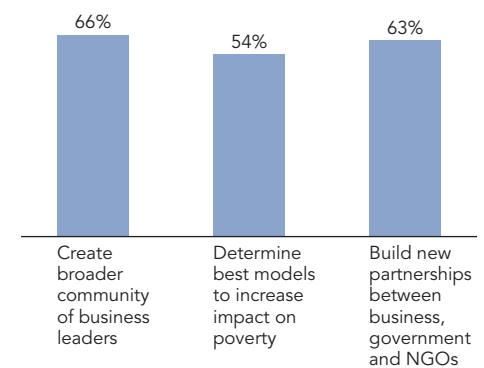
- Understanding and adapting to local conditions is essential to successful investment in frontier markets
- Businesses are not sustainable unless the communities in which they work are sustainable
- In addition to giving customers access to new products, companies must contribute to the health of their communities
- If development is not a core goal of business it is not sustainable

Mosbacher outlined several areas where IGD could advance the quality of business engagement in development:

- Create a broader community of business leaders to promote development through profitable business models
- Identify and disseminate best practices to encourage others
- Explore areas of collaboration and partnership with strong development impacts

## TAKING ACTION

Participant support for future IGD actions



## OPENING MARKETS

### Panelists

**Farooq Kathwari**, Chairman & CEO, Ethan Allen Interiors Inc.

**Harold McGraw III**, Chairman, President & CEO, The McGraw-Hill Companies

**Tim M. Solso**, Chairman & CEO, Cummins Inc.

Discussion led by **John J. Castellani**, President, Business Roundtable

Summary by **Sally Jewell**, President & CEO, Recreational Equipment, Inc. (REI)



John Castellani and Tim Solso

IGD believes that openness to the global economy is a powerful driver of development. The Opening Markets session delved into the current economic crisis, the threat of increased protectionism and the policy reforms needed to ensure that developing countries benefit from their integration into the global economy.

Discussion leader John Castellani asked how we can open markets to catalyze economic growth and reduce global poverty. Terry McGraw said that the business community

needs to speak out more on the importance of global engagement and trade, and he commended President Obama for the statements he's made, particularly at the G-20 meeting, about integrating developing countries into the global economy. Tim Solso explained that 60 percent of Cummins' revenues are generated internationally and that in each of the past three years the company has exported \$3.5 billion worth of goods, which has generated about 4,000 jobs at Cummins and another 30,000 with suppliers. This should be a powerful case for open trade policies, argued Solso, yet we're seeing a resurgence of protectionism in the current economic downturn. Business leaders need to face facts and focus on ways to mitigate the displacement of workers and work with government and labor to help in work force development and retraining.

Farooq Kathwari added that business leaders need to convince their own employees of the benefits of trade and the importance of having a balanced, long-term business strategy that will benefit the company; Ethan Allen has a deliberate balance of manufacturing and retail both in the United States and overseas. He said that his company just opened a new plant in Mexico. It was acceptable to U.S. employees because Ethan Allen also made major investments in its plants in the United States and clearly articulated the company's long-term strategy to produce and sell at home and abroad.

In response to a question on how to shift the trade debate back to a more balanced discussion of benefits and necessary reforms, McGraw replied that the voice of business leaders is too quiet and that CEOs have not gotten as involved in public policy issues as they should. Global engagement, including trade, has to become a business priority. But the conversation on globalization and trade policy has become so polarized, he added, it is hard to have a constructive conversation. We need good examples from business about how trade creates value and jobs here and abroad.



Farooq Kathwari and Terry McGraw

Solso emphasized that business leaders should also advocate for programs such as trade preferences that provide increased access to our market for poor countries. He also urged support for programs that make investments in infrastructure and the capacity of developing countries to participate in global trade, such as the Millennium Challenge Corporation. Kathwari agreed that infrastructure is crucial and reiterated that business leaders need to be more vocal about addressing global challenges, including poverty. We must convince all of our stakeholders that helping to create prosperity is a national security issue as well as a humanitarian issue.

Panelists thought the successful conclusion of the Doha Round was unlikely in the near term, even though it would provide a powerful boost to the global economy. Solso remarked that we need to find a way to give developing countries assurances so they will feel more comfortable opening their markets. U.S. farm subsidies are a significant barrier to this. He said that if Africa, East and South Asia and Latin America increased their exports by one percent it would move 128 million people out of poverty – which is incredible leverage.

Speaking on behalf of IGD, Sally Jewell summarized the key discussion points:

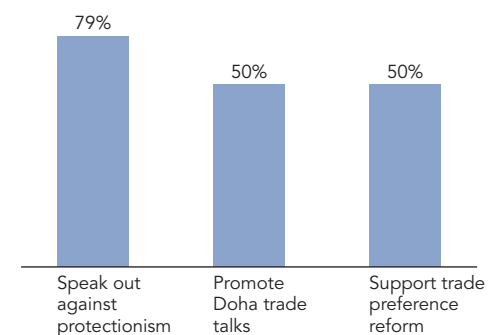
- The voice of business leaders needs to be amplified and communication with all stakeholders is essential to tackling complex issues such as trade and globalization
- There is a clear need to explain more thoroughly trade's contribution to job creation at home
- The benefits to our country of global engagement – economic growth as well as enhanced national security – must be better articulated

Jewell outlined several action items on IGD's trade agenda:

- Push for a successful conclusion of the Doha Round, despite long odds, and the renewal of fast track authority
- Support reform of U.S. trade preferences to provide greater certainty for developing countries and U.S. investors alike
- Speak out forcefully against protectionism during this economic downturn

### TAKING ACTION

Participant support for future IGD actions



## REMARKS BY GENERAL JAMES L. JONES

### General James L. Jones

Assistant to the President for National Security Affairs



General Powell and General Jones

General Jones opened by thanking attendees for the work they are doing to mobilize the private sector to combat global poverty. He said that as the world grapples over the coming decades with climate change, growing resource demand, and the dangers posed by weak and failing states, the challenge of poverty will become even more complex. He asserted that we are better organized today to meet those challenges, however, because something extraordinary has happened.

First, there is agreement across party lines that global development is critical to meeting U.S. economic and security goals and a strong bipartisan commitment to providing the resources necessary to promote development. Second, there is a robust and diverse constituency for development, and IGD's expanding network of partners is indicative of the interest and commitment of the private sector. Third, President Obama understands that development is central to our common security and humanity. Jones asserted that development is a top priority for the president and his administration and asked IGD and the business community

for support and ongoing encouragement to focus on these important issues.

Jones reported that since taking office, the president has reorganized the National Security Council in line with the realities of the 21st century, and has acknowledged that development is a national security issue. He has also announced two major development initiatives. At the G-20 conference in London, the president asked Congress to double U.S. investments in international agricultural development to more than \$1 billion in 2010, part of a food security initiative that will help make agriculture an engine of growth around the world. And the president announced his intention to build upon the leadership of President Bush in the global fight against AIDS, TB and malaria by increasing funding for the President's Emergency Plan for AIDS Relief (PEPFAR) and providing new funding for maternal child health, neglected diseases and other critical areas totaling \$63 billion over the next six years.

The president and his administration are committed to the three "D's" – defense, diplomacy and development. As someone who spent his career working on that first "D," Jones said, he had seen the need for the other two at every turn and he often reminded his staff that the United States cannot achieve stability in the far corners of the world unless it supports security, rule of law and development.

Jones emphasized the administration's keen interest in working across sectors – with the NGO community, the international donor community and the private sector – to promote development. The government can help build capacity, urge poor countries to enact sound policies and invest in production – but the efficacy of these actions will be greatly enhanced through cooperation with the private sector. The strengths of business and government must be leveraged through new collaborative efforts. The administration is committed to the priorities IGD has outlined – enterprise growth, opening markets, investing for development and investing in Africa's future – and welcomes the Frontier 100 initiative that provides opportunities for collaboration

between U.S. CEOs and CEOs from developing countries.

General Jones laid two challenges before attendees. First, because IGD partners represent the entrepreneurship, determination and creativity that is so vital to development, he asked them to share that experience and expertise with the administration and to make recommendations for what government and the private sector can do to dramatically reduce poverty.

Second, he asked IGD to consider developing a discrete initiative that would reflect these shared priorities – how the network might promote food security and reduce energy poverty, for example, or provide expertise, access to capital and connections to African entrepreneurs so that they might transform their economies.

Finally, he asked attendees to redouble their efforts to advance effective solutions to global poverty. By working together, he asserted, business and government can change the world.



Jim Lehrer



Mary Robinson

## A Better Future for Us All

### Mary Robinson

President, Realizing Rights: The Ethical Globalization Initiative and Former President of Ireland

### Jim Lehrer

Executive Editor & Anchor, The NewsHour with Jim Lehrer

In a conversation with veteran journalist Jim Lehrer, former President of Ireland Mary Robinson called attention to the humanitarian crisis that extreme poverty has created, particularly the lack of human rights and dignity in impoverished countries. These include the lack of such basic human needs as access to water and food, education, and freedom from violence.

Robinson referenced a report by John Ruggie, UN Special Representative on Human Rights and Transnational Corporations, outlining the duty of states to protect their people against human rights abuses and the responsibility of corporations to take proactive approaches to avoid infringing on the rights of others.

The conversation touched on several of the interrelated challenges facing the global community, including climate change and poverty. Robinson argued that Africa produces only four percent of global greenhouse gases, but is and will be severely hurt by global climate change. Robinson expressed optimism about the Obama administration's commitment to global development and urged Summit participants to provide support to those resisting protectionism during the financial downturn.

Robinson underscored the need for government, business and nonprofit organizations to work together to enable developing countries to participate in the global economy. She reminded participants that it is the shared responsibility of business leaders and citizens to promote human rights and dignity for all people.

## INVESTING IN AFRICA'S FUTURE

### Panelists

**Alexander S. Friedman**, Chief Financial Officer, Bill & Melinda Gates Foundation

**Eleni Gabre-Madhin**, CEO & Founder, Ethiopia Commodity Exchange

**Dina Habib Powell**, Managing Director & Global Head, Office of Corporate Engagement, The Goldman Sachs Group, Inc.

**Kerry J. Preete**, Vice President, International Commercial, Monsanto Company

Discussion led by **Michael Gerson**, Former Assistant to the President for Policy & Strategic Planning, The White House and Roger Hertog Senior Fellow, Council on Foreign Relations



Michael Gerson and Eleni Gabre-Madhin

The potential for poverty reduction spurred by economic growth in Africa is tremendous, with significant opportunities in the areas of capital investment, technology transfer and work force development. The Investing in Africa's Future panel discussed a range of private sector approaches with the potential for high development impact.

Discussion leader Michael Gerson said that it is a confusing moment to talk about Africa's future: Africa averaged an impressive six percent annual economic growth from 2003 to 2008, yet it also faces some unprecedented challenges, with investment flows, lending and trade falling prey to the financial crisis. He asked the panel to assess the prospects for growth in Africa over the next five years and describe what their organizations are doing to support enterprise development and poverty reduction.

Dina Powell spoke about Goldman Sachs' recent 10,000 Women initiative, which helps women develop small and medium enterprises. Research conducted by Goldman's economists found that greater participation in the labor force by women, particularly in Africa, yielded not only greater regional GDP growth but greater global growth. The missing element, they determined, was the training and education necessary for women entrepreneurs to expand their businesses. Goldman now works in partnership with 32 academic institutions to teach women how to write a business plan, access capital and manage people more efficiently.

Alex Friedman explained that there is an inherent inefficiency in the structure of foundations since they give only about five percent of their assets in grants. Recognizing this, the Gates Foundation has been exploring how it might play a role in addressing capital market inefficiencies by using its balance sheet in new ways. By taking a small portion of the 95 percent of the foundation's assets that are not tied up in grant making and applying leverage on those assets in a reasonable way, foundations can unlock massive amounts of philanthropic capital. Options include working with companies to apply capital in a win-win situation; making below-market interest rate loans to encourage a particular economic activity; working with venture capital and private equity firms to co-invest on deals that might not happen without below market capital; and guaranteeing bond issuances for developing country governments. Taking on these types of activities, he said, would be a paradigm shift for the philanthropic sector.



Kerry Preete

Eleni Gabre-Madhin said Africa has seen spectacular growth in the last five years, with some countries, including Ethiopia, experiencing double digit growth. The continent's robust growth was hard won, she explained, through widespread economic reform, opening markets and encouraging foreign investment, particularly from the diaspora. The current financial crisis has endangered Africa's momentum, Gabre-Madhin warned, and African countries will need to look for their own sources of stimulus, such as the International Monetary Fund, to overcome three key threats: reduced foreign investment, reduced remittances and increased trade barriers.

Kerry Preete said that Monsanto is optimistic that Africa will continue to grow, especially if productivity at the farm level can be increased. The majority of poor Africans are engaged in agriculture, and agricultural development will be critical to reducing poverty and improving standards of living. Monsanto is seeing the impacts of global warming around the world – wide swings in temperature and annual rainfall. Those changes, coupled with the challenge of feeding an additional two billion people over the next 20-30 years on the existing agriculture footprint, mean that the global community must find innovative ways to expand productivity. Through the Water-Efficient Maize for Africa program, for

example, Monsanto and the Gates Foundation are providing drought-resistant seeds as well as education for farmers and training for local scientists to address the ongoing challenge of cyclical drought in Africa.

Gerson asked the panel what recommendations it would make in response to General Jones' invitation. Preete suggested showcasing successful models to give businesses, NGOs and governments clear examples. Friedman emphasized the importance of creativity and willingness to take risks and recommended approaches that encourage both. Powell said that investments in both human capital, including expanding higher education in Africa, and institution building are critical. Gabre-Madhin argued that Africa is becoming the land of opportunity but has the least capitalized and riskiest agricultural system in the world. Transforming it will require specific actions: injecting finance, enhancing risk management, and investing in infrastructure and productive capacity.



Dina Powell and Alex Friedman

# INVESTING FOR DEVELOPMENT

## Panelists

**Ambassador John J. Danilovich**, Former CEO, Millennium Challenge Corporation (MCC)

**Jeffrey R. Immelt**, Chairman & CEO, GE

Discussion led by **Jim Kolbe**, Former Congressman and Senior Transatlantic Fellow, German Marshall Fund of the United States

Summary by **Faryar Shirzad**, Managing Director & Global Head, Office of Government Affairs, The Goldman Sachs Group, Inc.



John Danilovich and Jeff Immelt

The session on Investing for Development focused on how to improve U.S. foreign assistance programs and leverage the strengths of the private sector to achieve broad-based, sustainable growth in the developing world.

Discussion leader Jim Kolbe opened with an overview of the weaknesses in U.S. foreign assistance programs, including lack of coherence, a focus on dollars spent rather than development outcomes, and no strategy to govern the 33 objectives, 75 priorities and 247 directives outlined in current law. A related challenge, Kolbe noted, is trade policies that are not coordinated with foreign assistance. In addition,

despite trade's importance to development, the U.S. trade agenda is stalled.

Ambassador John Danilovich pointed to the Millennium Challenge Corporation (MCC) as an example of "smart aid" because it includes several innovations that boost its effectiveness. For example, recipients of MCC aid are responsible for creating and implementing their own programs and are accountable for the results. MCC compacts are five-year programs, allowing countries to plan long-term. MCC funding has primarily been focused on infrastructure (such as roads, ports, water) and agriculture, as these are the areas of critical need most often identified by the recipient countries.

Jeff Immelt responded by saying that business hasn't done a good job of explaining the benefits of trade to the American public and has not demonstrated a commitment to creating additional manufacturing jobs or increasing R&D spending in the United States. Though a complete believer in free trade, Immelt said he recognizes that the erosion of manufacturing jobs in the United States has led to real discrepancies in wealth and suspects there will be little progress on opening new markets until that reality is addressed.

It's in our country's best interest to promote economic development in every corner of the world through U.S. aid programs and private sector investments, Immelt added. Increasing American investment in a way that helps cure disease and contributes to development is a good thing for the United States. Immelt said that his job as a business leader is to sell products and make money for the company today while also pushing the perimeter of GE in new places around the world for future growth. Sometimes this means lower margins in the short-term in exchange for greater returns a decade from now.

Danilovich said that inclusion of the private sector in U.S. development programs is critical to their success. For this reason, the MCC is trying to encourage private sector engagement with its programs and has signed business



Jim Kolbe

agreements with GE and Microsoft. Government can kick-start growth but it is the private sector that will make it sustainable. From the perspective of business, Immelt added that even a company as big as GE does not know Ghana or Bangladesh well; being able to partner with the MCC at the beginning provides some experience in those markets, which allows the company to speed up investment decisions.

Kolbe asked the panelists to recommend ways to secure greater business support for the trade and development agenda. Immelt reiterated that companies need to better explain the opportunities and benefits that come with global trade and competition, while simultaneously strengthening critical social supports here at home, such as health care. Danilovich added that the price of not acting to promote development in poor countries is far too great to pull back, especially during this global economic downturn.

Speaking on behalf of IGD, Faryar Shirzad summarized the key points of the session:

- The private sector needs to become a more effective partner in promoting development and poverty reduction

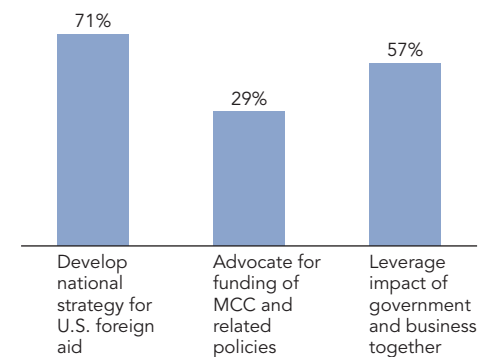
- Government needs to be more effective in creating an enabling environment for investment and needs to analyze structural or policy barriers preventing effective partnerships with business
- The private sector must be more conscious of its social obligations, which may require taking a longer view when calculating expected returns on investments
- Aid programs should be reformed to allow for sustained longer-term investments

Shirzad outlined three action items on IGD's aid reform agenda:

- Respond to General Jones' invitation to help the new administration leverage the resources, expertise and investment potential of the private sector in support of a global agenda for economic growth
- Work aggressively to provide a powerful business voice in support of aid reform
- Defend the initiatives that do work, such as the MCC

## TAKING ACTION

Participant support for future IGD actions



Frontier 100, an IGD program launched in collaboration with knowledge partner Dalberg Global Development Advisors, brings together CEOs from frontier markets with U.S. CEOs to reduce poverty through relationship building, knowledge sharing and targeted initiatives.

The first Frontier 100 class consists of CEOs from Africa, all of whom run companies with annual revenues in excess of \$100 million on average. The inaugural Frontier 100 Annual Forum was held in Washington, D.C. in conjunction with the IGD National Summit, and brought together 23 CEOs from across Africa and the United States. During the session, the CEOs identified key challenges to business growth and poverty reduction, as well as targeted initiatives that the group could undertake to overcome these challenges.

The identified challenges included access to finance, access to markets, talent and work force development, and advocacy. The specific initiatives for Frontier 100 focus are currently being prioritized by the group in advance of implementation. Potential initiative ideas include raising significant sector-specific capital, developing angel investor networks, and championing targeted advocacy to improve investor perceptions.



General Powell and Justin Chinyanta at the IGD 2009 National Summit reception

## FRONTIER 100 CEOS FROM AFRICA

**Abdallah Alaoui**, President, MIFA Group

**Andrew Alli**, CEO, Africa Finance Corporation

**Kofi J. Bucknor**, Managing Principal, Kingdom Zephyr Africa Management

**Justin Chinyanta**, Chairman and Executive Officer, Loita Capital Partners International Limited

**Eleni Gabre-Madhin**, CEO & Founder, Ethiopia Commodity Exchange

**Linus Gitahi**, Group Chief Executive, Nation Media Group

**Michael Joseph**, CEO, Safaricom Limited

**Tope Lawani**, Managing Director and CEO, Helios Investment Partners LLP

**Mizinga Melu**, CEO, Standard Chartered Bank Zambia

**Ali Mufuruki**, CEO, Infotech Investment Group LTD

**James Mwangi**, CEO & Managing Director, Equity Bank Limited

**Papa Ndiaye**, CEO, Advanced Finance and Investment Group Funds

**Edward Njoroge**, CEO, Kenya Electricity Generating Company Limited

**Martin Oduor-Otieno**, CEO, Kenya Commercial Bank Group

**Kenneth Ofori-Atta**, Executive Chairman, Databank Group

**Sai Ramakrishna Karuturi**, Managing Director, Sher Karuturi Global Ltd

**Isaac Shongwe**, CEO, Barloworld Logistics Africa (Pty) Ltd

## POLICY AGENDA

At the beginning of 2009, IGD issued a set of recommendations titled “Putting Economic Growth and Opportunity at the Heart of U.S. Foreign Policy.” The paper set out the imperative of elevating global development as a national priority and outlined two key objectives: 1) clarify U.S. assistance goals and improve development outcomes; and 2) strengthen our trade and aid policies to make markets work for poor people and poor countries.

The National Summit was designed as an opportunity to discuss IGD’s policy agenda with a broad cross-section of U.S. business leaders. The discussions and polling during the course of the event reaffirmed the core components of IGD’s agenda and introduced some new areas for IGD action.

We heard strong support for the following elements of IGD’s agenda:

- Create a comprehensive national strategy for achieving the U.S. foreign policy objective of promoting development and reducing global poverty, to include trade, aid and economic policies toward developing countries
- Provide improved access to U.S. markets for goods and services from the poorest countries and support investments that help build the capacity of developing countries to participate in the global trading system
- Create a broader community of business leaders to share practices for reducing poverty sustainably and profitably

In addition, we heard clearly the need for IGD and other business organizations to speak out firmly against protectionism and disengagement during the current financial downturn and to make the case for trade and development as integral parts of our national security.

Finally, there was strong endorsement at the Summit of IGD’s core belief that private sector engagement in promoting

development, whether as part of a company’s business strategy or in partnership with U.S. government programs, is critical to success in reducing global poverty. IGD commits to working with both business and government to develop new models and to catalyze the contributions each can make to sustainable development, to help facilitate a more effective partnership in support of our common goals.

## PARTICIPANT RESPONSE

Highlights of responses to event polling and surveys about future IGD actions:

- Sixty-six percent of respondents indicated they would help create a broader community of business leaders to promote global development through profitable business models.
- Sixty-three percent indicated they would support collaboration with other businesses, nonprofit organizations and government on initiatives with strong development impact.  
*Chart on page 7*
- Seventy-nine percent of respondents expressed support for speaking out against protectionism and reminding policymakers that our prosperity is linked to global economic growth, which will help people around the world.
- Fifty percent said they would speak out on trade preference reform.  
*Chart on page 9*
- Seventy-one percent of respondents said they would add their voice to efforts to reform U.S. foreign aid, such as legislation requiring a national global development strategy to govern U.S. assistance.  
*Chart on page 15*
- Forty-eight percent of respondents were keenly interested in joining or supporting the Frontier 100 program.

## IGD LEADERSHIP COUNCIL

### SUMMIT CO-CHAIRS

**Madeleine K. Albright**  
Former U.S. Secretary of State

**General Colin L. Powell**  
Former U.S. Secretary of State

### SUMMIT CO-HOSTS

**Carleton S. Fiorina\***  
Former Chairman, President & CEO,  
Hewlett-Packard Company

**Tim M. Solso\***  
Chairman & CEO, Cummins Inc.

**Richard H. Behars**  
Senior Advisor, Revolution Foods

**Nancy Birdsall**  
President, Center for Global Development

**Richard C. Blum**  
Chairman, Blum Capital Partners, LP

**John J. Castellani**  
President, Business Roundtable

**Raymond G. Chambers**  
UN Special Envoy of the Secretary-General  
for Malaria

**William H. Clapp\***  
President, Seattle International Foundation

**John J. Danilovich**  
Former CEO, Millennium Challenge  
Corporation (MCC)

**Maria Eitel**  
President, Nike Foundation

**John Engler**  
President & CEO, National Association  
of Manufacturers

**Daniel J. Evans\***  
Former U.S. Senator

**Donald L. Evans**  
Former Secretary of Commerce

**Henrietta Fore**  
Former Director, U.S. Foreign Assistance and  
Administrator, U.S. Agency for International  
Development (USAID)

**William H. Gates Sr.\***

\*IGD Board of Directors

**Michael J. Gerson**

Former Assistant to the President for Policy  
& Strategic Planning, The White House and  
Roger Hertog Senior Fellow, Council on  
Foreign Relations

**Gerald Grinstein**  
CEO-Emeritus, Delta Air Lines, Inc.

**Rajat Gupta**  
Senior Partner Emeritus, McKinsey &  
Company

**Chuck Hagel**  
Former U.S. Senator

**Lee H. Hamilton**  
President & Director, Woodrow Wilson  
International Center for Scholars

**Carla A. Hills**  
Former U.S. Trade Representative and Former  
Secretary of Housing & Urban Development

**Walter Isaacson**  
President & CEO, The Aspen Institute

**Neville Isdell**  
Former Chairman & CEO, The Coca-Cola  
Company

**Sally Jewell\***  
President & CEO, Recreational Equipment,  
Inc. (REI)

**Lewis B. Kaden**  
Vice Chairman, Citigroup Inc.

**Farooq Kathwari**  
Chairman & CEO, Ethan Allen Interiors, Inc.

**Charles E. Kolb**  
President, Committee for Economic  
Development

**Jim Kolbe**  
Former Congressman and Senior Transatlantic  
Fellow, German Marshall Fund of the United  
States

**H.L. Kotkins, Jr.**  
Chairman & CEO, Skyway Luggage  
Company

**Mary McClymont**  
Executive Director, Global Rights and  
Former Vice President, Peace & Social Justice,  
The Ford Foundation

**Robert A. Mosbacher, Jr.\***  
Former President & CEO, Overseas Private  
Investment Corporation (OPIC)

**Jane Nelson**

Senior Fellow & Director, CSR Initiative,  
Kennedy School of Government, Harvard  
University and Director, Business Strategy,  
International Business Leaders Forum

**Alan Patricof**  
Founder & Managing Director, Greycroft  
Partners, LLC

**Michael J. Phillips**  
Former Chairman, Russell Investment Group

**William K. Reilly**  
Senior Advisor, TPG Capital, LP and Former  
EPA Administrator

**Mary Robinson**  
President, Realizing Rights: The Ethical  
Globalization Initiative and Former President  
of Ireland

**Anna E. Roosevelt**  
Vice President, Global Corporate Citizenship,  
Corporate Offices, The Boeing Company

**William D. Ruckelshaus\***  
Former EPA Administrator

**George F. Russell, Jr.**  
Chairman Emeritus, Russell Investments

**Edward W. Scott, Jr.**  
Co-founder & Former President, BEA  
Systems, Inc.

**John M. Shalikashvili\***  
Former Chairman, Joint Chiefs of Staff

**Faryar Shirzad**  
Managing Director & Global Head, Office  
of Government Affairs, The Goldman Sachs  
Group, Inc.

**Richard S. Swanson\***  
President & CEO, Federal Home Loan Bank  
of Des Moines

**Ted Turner**  
Chairman, Turner Enterprises, Inc. and  
Founder, UN Foundation

**John C. Whitehead**  
Former Co-chairman, Goldman, Sachs & Co.  
and Former Deputy Secretary of State

**James D. Wolfensohn**  
Chairman, International Advisory Board,  
Citigroup Inc. and Former President, The  
World Bank

**Jennifer T. Potter**  
President & CEO, Initiative for Global  
Development

## THANK YOU TO OUR SPONSORS

### PLATINUM



### GOLD



### SILVER



### BRONZE

Ethan Allen Interiors Inc. | The German Marshall Fund of the United States  
The McGraw-Hill Companies | Seattle International Foundation | Symetra Financial Corp.  
United Nations Foundation

### FRONTIER 100 SUPPORT

KNOWLEDGE PARTNER

**Dalberg**

FINANCIAL SUPPORTERS

Bill & Melinda Gates Foundation | Dalberg Global Development Advisors (in-kind)  
The Fiorina Foundation | The Horace W. Goldsmith Foundation | The West Foundation

Pictured on front cover: Colin Powell; back cover: Sally Jewell,  
Initiatives for Enterprise Growth panel, Rob Mosbacher

INITIATIVE  
FOR GLOBAL  
DEVELOPMENT 



---

## The Initiative for Global Development is an alliance of business leaders that champions effective solutions to global poverty

Global poverty is at the root of many of the world's greatest challenges and IGD believes that dramatically reducing it is one of the most powerful steps we can take in creating a better future. Addressing the inequities of people living in poverty is a critical factor in ensuring the future prosperity and security of us all.

IGD works to promote poverty reduction by advocating for effective U.S. policies and advancing innovative private sector solutions that expand economic development in poor countries.