

Administrator Henrietta H. Fore
General Assembly High Level Event
“End Poverty 2015 - Millennium Development Goals - Making it Happen”
United Nations, New York City
Thursday, September 25, 2008, 4:00-5:00 PM

Mr. Moderator, Distinguished Delegates, Ladies and Gentlemen:

The United States is committed to being bold and generous as the Secretary General has asked, and to working with our partners --developing nations, other donors, non-governmental organizations, and the private sector -- to support country efforts to achieve and sustain the development goals of the Millennium Declaration.

Overcoming poverty and hunger - having the minimum resources for a productive life - is an important foundation for human development, as are economic growth, good governance and the rule of law, and peace and security.

We have had opportunities since the Millennium Declaration to underscore the importance of these and other factors in underpinning efforts to meet the MDGs. Lessons learned have informed the conclusions reached in the Monterrey Consensus on Financing for Development, the World Summit on Sustainable Development, and the Paris Declaration on Aid Effectiveness, recently reconfirmed at Accra. What are these lessons?

Lesson 1: First, each country must take ownership of its own development goals and have its own national strategy to achieve them. The ability of the country to manage to its own economy and affairs is basic to ownership.

Lesson 2: Increased official development assistance (ODA) alone is insufficient to achieve the development goals of the Millennium Declaration. To bear fruit and to be sustainable, all resources (public and private) must be mobilized and utilized in an environment conducive to economic growth.

Furthermore, the development process has for some time no longer been solely the domain of official actors. Instead, increasingly it involves private partners, such as foundations, NGOs, and private business. The considerable attention being given this week to engaging the private sector in the development dialogue is clear evidence that this trend is widely recognized and growing.

Lesson 3: Governance, according to the 2007/2008 African Economic Outlook, is the factor that best explains the economic performance of African countries.

Some countries have made notable gains in governance reforms, enhancing transparency, the rule of law, and peace and security. Others are struggling. The fight against entrenched interests and corruption remains a challenge in many places.

The focus on governance must also include economic governance. New data from the World Bank's excellent annual Doing Business surveys show that regulatory barriers to creating and operating businesses are far more onerous in poor countries than in developed ones. There is tremendous opportunity over the next decade to improve the microeconomic environment by strengthening systems of property rights, competition policies, and commercial law.

Lesson 4: Private-sector economic growth is a driver of development, making it possible to lock in progress on the MDGs. Growth begins with productivity gains by producers from all sectors, from the family farm and the vegetable vendor, to small local agro-processors, to internationally competitive manufacturing firms.

Lesson 5: For most countries, agricultural growth is vital to launching and sustaining development, and for meeting the immediate needs of the poorest. The global food situation raises serious concerns about sustainability of progress and provides a cautionary tale about the consequence of neglecting investment in agriculture.

On Tuesday President Bush joined a forum on building partnerships for agricultural investment to combat hunger. In this high level event, heads of agribusiness, universities, development agencies, foundations, and a host of government organizations highlighted successful partnerships to advance innovations in science, business, and policy for agricultural value chain development.

The United States is on track to spend almost \$5.5 billion across fiscal years 2008 and 2009 to combat hunger. This includes an additional \$1.8 billion for humanitarian assistance and to spur agricultural development.

Monsanto is investing over a billion dollars a year to develop better corn, cotton, and soybean and vegetable seeds.

Bangladesh Cyclone Sidr is working with rice that grows in salt water.

John Deere is focused on developing appropriate farm equipment and techniques to significantly improve productivity with reduced tillage.

Land o'Lakes is committed to partnerships with farmer groups for dairy products

The Gates Foundation has committed more than \$900 million.

U.S. land grant universities are supporting science, technology, research and extension services, building and expanding local capacity on every continent. The U.S. private sector is on the move to help solve the world's challenges; we will only make real progress if we engage the private sector.

Lesson 6: One of the greatest threats to development is resurgent conflict. Assistance in states affected by conflict must address the sources of fragility and instability, strengthen institutions, improve governance, reduce political instability and internal conflict, and address immediate humanitarian needs resulting from conflict.

The ending of armed conflict has played an essential role in setting the stage for some of today's African success stories.

Conclusion:

The right strategies and policies are creating economic growth. Globally, in 1990, nearly 40% of the world's population lived on less than \$1.25 a day. By 2005 that number had fallen to 25 percent. This is remarkable progress. How did they do it?

In the early 1990's, many African countries experienced slow or even negative growth, some as a result of conflict and others because of poor policies. Today many African countries have turned around and economic growth has been accelerating since 2001.

Those countries that took charge and made sound policy choices and investments are experiencing significant growth and poverty reduction. Macroeconomic stability plus an improved business climate for trade, investment, and agricultural transformation have been central aspects of the turnaround, with additional impetus provided by debt relief.

The challenge remains large. Despite widespread progress, there has been great variability in economic growth performance among countries and over time.

The fact that 18 percent of the world's population still lives in extreme poverty provides a sharp reminder of the urgent need to heed the lessons of success in order to achieve faster growth and to spread its benefits more widely.

