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ACHIEVING THE UNITED NATIONS MILLENNIUM DEVELOPMENT GOALS: PROGRESS THROUGH PARTNERSHIPS

HEARING

BEFORE THE

SUBCOMMITTEE ON INTERNATIONAL ORGANIZATIONS, HUMAN RIGHTS AND OVERSIGHT

OF THE

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ACHIEVING THE UNITED NATIONS MILLENNIUM DEVELOPMENT GOALS: PROGRESS THROUGH PARTNERSHIPS

TUESDAY, JULY 27, 2010

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON INTERNATIONAL ORGANIZATIONS,
HUMAN RIGHTS AND OVERSIGHT,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 9:35 a.m., in room 2172, Rayburn House Office Building, Hon. Russ Carnahan (chairman of the subcommittee) presiding.

Mr. CARNAHAN. Good morning. I want to call the Subcommittee on International Organizations, Human Rights and Oversight to order this morning and kick off our hearing this morning on "Achieving the United Nations Millennium Development Goals: Progress Through Partnerships."

And I will begin with an opening statement. After that, I will turn it over to others here for opening remarks and look forward to introducing our panel.

Ten years have passed since 192 nations and multilateral organizations set eight international development targets, which became known as the Millennium Development Goals, or MDGs, representing a collective international effort toward improving the lives of those living in developing countries.

The goals include: The eradication of extreme poverty and hunger; achievement of universal primary education; promotion of gender equality and empowerment of women; reduction of child mortality; improvement of maternal health; halting and reversing the spread of HIV/AIDS, malaria, and other diseases; environmental sustainability; and creation of a global partnership for development.

At last year's U.N. General Assembly, President Obama stated, "We will support the Millennium Development Goals and approach next year's summit with the goal to make them a reality." It is in the interest of the U.S. to stick to this commitment. We must use this strategy to take a leadership role at the United Nations high-level review of the Millennium Development Goals, which takes place on September 20th through the 22nd in New York City. I look forward to receiving the administration's MDG strategy in the coming days.

As we recover from an economic recession, it is important to keep in mind that the MDG goals are not only a moral commitment of

U.S. and universal values, but they are also vital to our security and economic prosperity. Fighting poverty, hunger, the lack of access to education and health care helps reduce unrest and extremism, which can contribute to hatred and violence.

The MDGs also help to leverage U.S. aid, bringing in contributions from other countries, the private sector, and civil society. Collectively, our investment helps to reduce extreme poverty and build a growing middle class abroad, which will ultimately buy U.S. products. Achieving MDGs helps the world's most needy, but it also is good for America's producers and consumers.

Since 2000, the global community moved steadily toward achieving many of these goals. In developing regions, net enrollment in primary education increased by 5 percent between 2000 and 2007. Globally, the new HIV infection rate decreased from an estimated peak of 3.5 million in 1996 down to 2.7 million in 2008. And as we heard last month at this subcommittee's hearing on women as agents of change, women's share of national parliamentary seats has increased from 6 percent to 19 percent in the last 10 years.

Unfortunately, progress has stagnated in other areas. The mortality rate for children under 5 is still well under the target of a two-thirds reduction. And we have seen an increase in poverty rates over the last year. Finally, as we heard last week at our hearing on the administration's Feed the Future Initiative, the number of hungry people increased from 842 million in the early 1990s to over 1 billion people in 2009.

In order to address these critical challenges, we must adhere to a strategy that is cost-effective, invests wisely in the developing world, and works with our national security strategy. The U.S. Government has played and will continue to play a vital role in this effort.

However, we need to ensure that we do so in a collaborative manner that leverages all available resources. The private sector is in a unique position to contribute their expertise, resources, and innovative techniques toward this global effort.

Targeted public-private intervention programs have already proven successful. For example, the incidence of polio has plummeted by more than 99 percent since 1988, when Rotary International partnered with the WHO, CDC, and UNICEF to launch the Global Polio Eradication Initiative.

Another project, Millennium Villages, supports social and business development services for more than 400,000 people in rural communities across 10 countries in Africa. Finally, there are many microfinance programs that serve as examples of successful public-private initiatives that have helped to reduce poverty and empower women.

I look forward to hearing from our witnesses today about lessons learned from their public-private partnerships and what initiatives can be scaled up to meet MDGs.

I will now recognize our ranking member, Representative Rohrabacher of California, for his opening statement.

[The prepared statement of Mr. Carnahan follows:]

Chairman Russ Carnahan
Subcommittee on International Organizations, Human Rights and Oversight

Opening Statement

Achieving the United Nations Millennium Development Goals:
Progress through Partnerships

July 27, 2010

Ten years have passed since 192 nations and multilateral organizations set eight international development targets, which became known as the Millennium Development Goals (MDGs), representing a collective international effort toward improving the lives of those living in developing countries. The goals include: the eradication of extreme poverty and hunger; achievement of universal primary education; promotion of gender equality and empowerment women; reduction of child mortality; improvement of maternal health; halting and reversing the spread of HIV/AIDS, malaria and other diseases; environmental sustainability; and creation of a global partnership for development.

At last year's UN General Assembly, President Obama stated, "We will support the Millennium Development Goals, and approach next year's summit with a global plan to make them a reality." It is in the interest of the United States to stick to this commitment. We must use this strategy to take a leadership role at the United Nations High-Level Review of the Millennium Development Goals, which takes place on September 20-22 in New York City. I look forward to receiving the Administration's MDG Strategy in the coming days.

As we recover from an economic recession, it is important to keep in mind that the Millennium Development Goals are not only a moral commitment, but are also vital to our security and economic prosperity. Fighting poverty, hunger, lack of access to education and healthcare helps reduce unrest and extremism, which can contribute to hatred and violence. The MDGs also help to leverage U.S. aid, bringing in contribution from other countries, the private sector and civil society. Collectively, our investment helps to reduce extreme poverty and build a growing middle class abroad, which will ultimately buy U.S. products. Achieving the MDGs helps the world's most needy, but it's also good for America's producers and consumers.

Since 2000, the global community moved steadily toward achievement of many of these goals. In developing regions, net enrolment in primary education increased by 5 percent between 2000 and 2007. Globally, the new HIV infection rate decreased from an estimated peak of 3.5 million in 1996 to 2.7 million in 2008. And, as we heard last month at this subcommittee's hearing on "Women as Agents of Change," women's share of national parliamentary seats has increased from 6% to 19% in the last 10 years.

Unfortunately, progress has stagnated in other areas. The mortality rate for children under 5 is still well under the target of a 2/3 reduction, and we have seen an increase in poverty rates over the last year. Finally, as we heard last week at our hearing on the Administration's "Feed the

Future" Initiative, the number of hungry people increased from 842 million in the early nineties to over 1 billion people in 2009.

In order to address these critical challenges, we must adhere to a strategy that is cost-effective, invests wisely in the developing world, and works with our National Security Strategy. The U.S. government has played, and will continue to play, a vital role in this effort. However, we need to ensure that we do so in a collaborative manner that leverages all available resources.

The private sector is in the unique position to contribute their expertise, resources, and innovative techniques toward this global effort. Targeted private-public intervention programs have already proven successful. For example, the incidence of polio has plummeted by more than 99 percent since 1988, when Rotary International partnered with the WHO, the CDC and UNICEF to launch the Global Polio Eradication Initiative. Another project, Millennium Villages, supports social and business development services for more than 400,000 people in rural communities across 10 countries in Africa. Finally, there are many microfinance programs that serve as examples of successful public-private initiatives which have helped to reduce poverty and empower women.

I look forward to hearing from our witnesses today about lessons learned from their public-private partnerships, and what initiatives can be scaled up to meet the Millennium Development Goals.

I will now recognize our Ranking Member, Representative Rohrabacher, for his opening statement.

Mr. ROHRABACHER. Thank you very much, Mr. Chairman.

While I am here to listen to what you have to say, you have a skeptic here, obviously. You know, when you got $1.5 trillion more going out than you got coming in, pretty soon, if we don't change that—you know, last year it was $1.5 trillion deficit, this year it is $1.5 trillion—that is not billion-dollar deficit, this is trillions—within a short period of time, our country is going to turn around and our economy will have totally collapsed.

All these young people you see in the audience, it is going to be a disaster for their lives. You know, already they are going to be on the hook for hundreds of billions of dollars that is going to be taxed from them every year in order just to provide the interest on what we are doing in the last 2 years.

So, yeah, we need to care about people around the world who are in need, but we got to put our own house in order. And if trying to take care of people across the ocean and in different places where people are in need and horrible situations, if by trying to care of them we exacerbate our problem at home and dump our own future generations into poverty, we will have sinned against our own people.

So I want to know why this is a good idea. If you want to spend more money on it, I want to know why it is a good idea for those young people and their future, and how it will affect this $1.5 trillion worth of debt that we are putting ourselves into every year. It makes no sense.

We learned from some papers that were leaked—and I thought the person who leaked those papers did a good job for the people of the world—we learned that Pakistan has continued all of these years in supporting the Taliban, while we give, Mr. Chairman, what, a $7 billion package to Pakistan to help them build their

economy, at a time when we just find out through these leaked documents that Pakistan has been helping the Taliban the whole time. Does that make any sense? That makes no sense at all.

Borrowing money from China in order to give to Pakistan, China's ally, in order to help the Taliban, while the Taliban are fighting the United States? Well, this is about as much sense as a lot of these programs that I have been looking at over these years make—you know, when you look back on it, makes no sense at all, most of these things. So, now that we are in a crisis, maybe we can ask some very fundamental questions.

So I am looking forward to your testimony. I am going to listen, so we will see what happens.

Mr. CARNAHAN. Thank you.

I now want to yield 5 minutes for an opening statement to Mr. Smith of New Jersey.

Mr. SMITH. Thank you very much, Mr. Chairman. And I thank you for convening this very important hearing on the Millennium Development Goals. As you know, the outcome documents of the high-level summit on the Millennium Development Goals continues to be negotiated at the U.N. this week. It will be an important roadmap for the next steps to be taken.

I wanted to take this opportunity to focus our conversation and efforts on achieving MDGs 4 and 5 jointly. We must keep in mind that to achieve MDGs 4 and 5, reducing child mortality and maternal mortality, both mother and unborn child must be treated as co-patients in need of care, compassion and, when sick, either patient or both patients, in need of timely interventions. We must strive to save and to affirm both.

The April 2010 Lancet medical journal published a groundbreaking study funded by the Bill and Melinda Gates Foundation that shows that worldwide maternal mortality has been decreasing since 1980. Progress is being made by many countries, and the successful policies must continue.

The study analyzed volumes of studies and data, including WHO maternal mortality data. And, using statistical methods now available through advanced computer technology, the study found that the number of maternal deaths per year as of 2008 is 342,900. That is down from 526,300 in 1980, about a 40-percent drop. The study notes that if the world wasn't suffering from the HIV/AIDS pandemic, the total number would be 281,500, almost 50 percent down from the 1980 levels.

While still too high, this landmark report is encouraging to governments who have been seriously addressing maternal mortality in their countries by increasing the number of skilled birth attendants.

I would note parenthetically that I hosted a group of OB–GYNs who talked about their work in Africa, and they said, "100 years ago we realized how to reduce maternal mortality. You need a skilled birth attendant, the capability to do a C-section when there is an obstructed delivery, and you need to have the ability to provide safe blood so that that woman can get a transfusion, if necessary." Education of women is also important.

I actually chaired a hearing on safe blood, Mr. Chairman, and the WHO rep at that particular hearing said if women in Africa

had access to safe blood, maternal mortality would drop by 44 percent. Unfortunately, for so many, that blood is simply not there.

And, of course, economic development and the education of women is also very important, as well. And there are others.

Many of these countries with very low maternal mortality rates have laws, however, that restrict abortion. The inclusion of legalized abortion, or so-called reproductive health services defined as abortion in the outcome document, I believe would be unjust, intellectually dishonest, and counterproductive to the littlest humans and efforts to provide successful efforts for the MDGs.

In fact—and this is largely under-known and under-focused-upon—abortion can have a negative effect on the reproductive health of the mother as well as the health of her subsequent children. At least 113 studies show a significant association between abortion and subsequent premature and low-birth-weight births. For example, a study in the International Journal of Obstetrics and Gynecology showed a 36-percent increased risk for a preterm birth after one abortion and a staggering 93-percent increased risk after two. Similarly, the risk of subsequent children being born with low birth weight increased by 35 percent after one and 72 percent after two or more abortions. Another study showed the risk increases nine times after a woman has had three abortions.

What does this mean for her children? Preterm birth is the leading cause of infant mortality in the United States and causes one-fourth of infant mortality in the world. Preterm infants have a greater risk of suffering from chronic lung disease, sensory deficits, cerebral palsy, cognitive impairments, and behavioral problem. Low birth weight is similarly associated with neonatal mortality and morbidity. Abortion hurts both mother and child and can cause sickness, even death, in future children.

I would also point out to my colleagues that abortion is child mortality for the child who is actually aborted. And, again, the mortality and morbidity of future children is at risk. Abortion methods chemically poison, dismember, induce premature labor, or starve to death the fragile life of an unborn child. So terms like "safe abortion," which is thrown around very loosely, is, at best, misleading. "Safe abortion" is never safe for the baby.

Another cause of infant mortality should be addressed in the outcome document, and it is birth asphyxia, which kills 1 million newborns each year—more than malaria and five times more than AIDS. There is much we can do, even in resource-limited situations, to ensure that babies take their first breath in that golden minute right after birth. Skilled attendants, again, at birth; temperature support and stimulation to breathe; and assisted ventilation through the use of low-cost resuscitators are interventions we can and should be making available to achieve MDG 4.

The MDG document will be very important for guiding our steps as an international community over the next 5 years. Every step counts. And I hope that our panelists will use all of their influence to ensure that the outcome document keeps us on the path of saving both mother and child.

Again, I thank you, Mr. Chairman.

Mr. CARNAHAN. Thank you.

And now I want to turn to our panel.

And let me start to my left with Ms. Kathy Calvin. She is the chief executive officer at the United Nations Foundation. The foundation was created in 1998 with Ted Turner's $1 billion gift to support U.N. activities. Prior to joining the U.N. Foundation, Ms. Calvin served as president of AOL-Time Warner Foundation. She has also worked at Hill and Knowlton, as well as U.S. News and World Report. From 1976 to 1984, she served as Senator Gary Hart's press secretary in his Senate office and on his 1984 Presidential campaign. She is a graduate of Purdue University.

Next, Dr. John McArthur. He is chief executive officer of Millennium Promise, a nonprofit organization committed to supporting the achievement of the Millennium Development Goals. He is also research associate at the Earth Institute at Columbia University and teaches at Columbia School of International and Public Affairs. Previously, he served as the deputy director and manager of the U.N. Millennium Project. He completed his bachelor of arts at the University of British Columbia, a master's in public policy at Harvard's Kennedy School of Government, and a master's and doctorate in economics at Oxford University, which he attended as a Rhodes Scholar.

Next, Dr. Scott Ratzan. He serves as vice president for global health, government affairs, and policy at Johnson & Johnson. He is co-chair of the U.N. Secretary-General's Joint Action Plan on Women and Children's Health Innovation Working Group. Previously, he served as senior technical adviser in the Bureau of Global Health at the USAID, where he developed the global health communication strategy for U.S.-funded efforts in 65 countries. He received his MD from the University of Southern California, MPA from Harvard University's Kennedy School of Government, and MA from Emerson College.

And, finally, Mr. James Roberts. He is the research fellow in economic freedom and growth at the Heritage Foundation Center for International Trade and Economics. His primary responsibility is to produce the "Index of Economic Freedom," an annual analysis of the economic climate of countries throughout the world. Before joining Heritage, Mr. Roberts worked for the U.S. State Department for 25 years, serving in Mexico, Portugal, France, Panama, and Haiti. He also served as an intelligence officer in the U.S. Navy Reserve. He has a master's degree in international development and economics from Yale, an MBA from the University of Pittsburgh, and a bachelor's degree in international affairs from Lafayette College.

Welcome to our panel. We look forward to hearing from you.

And we will start, and I will recognize Ms. Calvin for 5 minutes.

STATEMENT OF MS. KATHY CALVIN, CHIEF EXECUTIVE OFFICER, UNITED NATIONS FOUNDATION

Ms. CALVIN. Thank you, Mr. Chairman, and good morning. Thank you for calling today's hearing on the Millennium Development Goals. Your leadership in support of American efforts to battle extreme poverty, hunger, and disease in the developing world and to support the U.N. in its programs is greatly appreciated.

And thank you for inviting the U.N. Foundation to testify. When Ted Turner created the U.N. Foundation, it was because he be-

lieved in the U.N. and its value to creating a platform to connect people, ideas, and resources to support its work around the world and to strengthen the relationship between the United States and the U.N.

As you mentioned, the President will be bringing to the world leaders in just 2 months his plan for the United States to help achieve the MDGs, as he promised last year when he was before the world leaders. We believe his speech this vitally important because it will signal to the world that our Nation will continue to play a leadership role in battling global poverty, despite, as you pointed out, the very tough economic times here at home, and that the United States is fully committed to working with the U.N., other donor countries, and the developing world itself.

As you pointed out, the MDGs are an internationally recognized framework to allow bilateral and multilateral donors to work together. But it takes more than one sector, and that is why we are here today to talk about partnerships.

You might expect me to make the point that the MDGs are a critical component of our strategic imperative, but I want to quote someone else, and that is Secretary Gates, who said last year,

> "In the campaign against terrorist networks and other extremists, we know that direct military force will continue to have a role. But over the long term, it should be subordinate to measures to promote participation in government, economic programs to spur development, and efforts to address the grievances that often lie at the heart of insurgencies and among the discontented from which the terrorists recruit."

That is exactly what the Millennium Development Goals seek to achieve.

And I think you know, Mr. Chairman, there is strong support from American voters for the MDGs. In April, the U.N. Foundation and our sister organization, the Better World Campaign, conducted bipartisan polling and found that 87 percent of Americans believe the U.S. should achieve the MDGs. And the majority said they would favorably look on companies that are using their finances and other resources to support these programs. That is good news for all of us.

So I want to touch today just very briefly on the kinds of partnerships that we think work not only to achieve these goals but actually to multiply the impact and effect of our scarce public funds.

I will start with a couple campaigns you know about. The first is Nothing But Nets, which is a campaign to combat malaria. And thank you for all the work this committee has done to strengthen and increase the U.S.'s support for fighting malaria.

As you know, every 30 seconds, a child in Africa dies from malaria and infection, making it the leading killer of children on the continent. We believed American citizens wanted to join this fight against malaria, so we launched a grass-roots campaign 3 years ago called Nothing But Nets to raise awareness and funding. It has a simple message: Malaria kills, send a net, safe a life—a simple $10 donation.

The campaign has been incredibly successful in giving hundreds of thousands of supporters the chance to raise funds and aware-

ness, but it wouldn't be possible without partners from the corporate and foundation world, including diverse partners such as the National Basketball Association, Major League Soccer, and the United Methodist Church. So a pairing of bishops and basketball players might not seen natural, but, along with 14 other partners, it has allowed us to raise more than $33 million to distribute more than 3 million nets in 15 countries.

We have also done work in combating measles around the world. And this is an example of a partnership that draws on the best of different partners, from the countries themselves to governments, to private sector. We found that the challenge from measles was great. Nothing was moving, in terms of its reduction. But, in the last 10 years, measles deaths have dropped 10 percent a year in Africa.

One organization on its own could never have done this; it took a partnership. The partnership includes the American Red Cross, the U.S. Centers for Disease Control, UNICEF, the World Health Organization, and the LDS Church, and Vodafone. We have done work in measles, malaria, and polio. And, as you mentioned, Rotary International has led perhaps the most successful partnership of all in almost eradicating that.

We think there are opportunities across the board for partners to come together. We are currently developing a campaign around adolescent girls to link girls in this country with girls around the world so that they can help those girls share the fortunes that they share here, the same opportunities to go to school, stay healthy, and be safe.

We are also working on a partnership to bring organizations together who care about the same issue: Freeing up women and children from the dangers of black carbon and cookstove smoke when they are cooking. This is a major effort and has brought together many, many different partners.

And we have a major partnership around mobile phones, using them to increase the ability for health workers, as you pointed out, Congressman Smith, to reach those mothers and children who most need it. We have created partnerships with the World Health Organization in 22 African countries so that they could use mobile phones, instead of the previous pen and paper, to collect date, share information, and help.

All of those experiments in partnerships have led us to know a couple different things about partnerships that we think would be worth sharing with this committee as we think about making partnerships successful and an important part of the U.S. commitment to meeting the MDGs.

First, in any partnership, it is important to bring all of the partners and recipients together at the table from the start. Co-creation is essential.

Second, partnerships succeed best when everyone has a clear role to play and can play from their strengths and competencies and not just financial resources.

Third, we think partnerships work best when they take the time to create full business plans, with clear goals and objectives serving the various interests of the diverse partners.

Fourth, the U.N., which traditionally had not been a partner-friendly organization outside of it normal member-state environment, is becoming much more adept and successful at partnerships, and so is the U.S. Government. And so, too, are the governments in the countries in which we are trying to make a difference. They are essential partners, at the end of the day.

And, fifth, Congress has an important opportunity to support public-private partnerships in support of the Millennium Development Goals. So, as this committee considers legislation to rewrite the Foreign Assistance Act, I hope you will consider the importance of sending a signal to USAID and the State Department to work closely and use public-private partnerships and to actively encourage these efforts which they are already considering. Given scarce public and private resources, it is imperative that money be well-spent and effectively coordinated.

So, in conclusion, I just want to say I am really proud that the foundation has had a successful history of partnerships. And looking forward, we continue to look for opportunities to expand them and scale them up, because we think that is the most effective way we can help achieve the Millennium Development Goals.

Thank you very much.

[The prepared statement of Ms. Calvin follows:]

Testimony of Kathy Calvin;

CEO, United Nations Foundation

Before the House Foreign Affairs Subcommittee on International Organizations, Human Rights, and Oversight

Achieving the United Nations Millennium Development Goals: Progress through Partnerships

Thank you, Mr. Chairman, for calling today's hearing on the Millennium Development Goals and for inviting the United Nations Foundation to testify. Your leadership in support of American efforts to battle extreme poverty and illness in the developing world and to support the United Nations and UN programs is greatly appreciated.

President Obama has boldly pledged that the Millennium Development Goals are "America's goals," and two months from now, President Obama will appear before a gathering of world leaders at the United Nations to deliver his plan for the United States to help achieve the Millennium Development Goals. Mr. Chairman, the President's speech is a vitally important opportunity to signal to the world that our nation will continue to play a leadership role in battling global poverty – despite the very tough economic times here at home – and that the United States is fully committed to working with the UN, other donor countries, and the developing world itself to make sure that our aid becomes more effective and sustainable.

The MDGs are an internationally-recognized framework to allow bilateral and multilateral donors to work closely with the developing world to eradicate extreme poverty. By embracing the MDGs, the United States does not cede its sovereignty; rather, it signals our nation's shared commitment to the moral, economic, and strategic imperative of alleviating the worst suffering around the world. In particular, the goal of these types of programs was made clear by Defense Secretary Gates when he noted that, "In the campaign against terrorist networks and other extremists, we know that direct military force will continue to have a role…but over the long term, should be subordinate to measures to promote participation in government, economic programs to spur development, and efforts to address the grievances that often lie at the heart of insurgencies and among the discontented from which the terrorists recruit." This is manifestly what the Millennium Development Goals seek to achieve.

I would like to point out that there is a strong interest among American voters to work toward the achievement of the MDGs. In April, the UN Foundation and our sister organization, the Better World Campaign, conducted bipartisan polling that found that 87% of Americans support the elements encompassed in the Millennium Development Goals – and believe the U.S.

should help achieve them. We also found that a majority of Americans said they would have a more favorable opinion of major U.S. companies if they were providing financial or other support to programs that would help achieve the MDGs by 2015. This is good news as the private sector, together with foundations and other partners, already play a critically-important role in achieving the MDGs – and no one sector can achieve them alone. This is the subject of my testimony today.

Let me briefly discuss some of the public-private partnerships being implemented by the United Nations Foundation, not because they are the only examples, but because it is what we know how to do best. Our initiatives are designed to support the MDGs by ending easily-preventable malaria deaths, reducing child mortality through immunization, promoting opportunities for adolescent girls in the developing world, introducing modern information and communications technologies, rallying key partners in support of maternal health, and promoting access to clean energy.

I will start with our work in combating malaria through our Nothing But Nets campaign. As you know, malaria is preventable and treatable, yet every 30 seconds, a child in Africa dies from malaria infection, making it a leading killer of children on the continent, as well as the leading killer of refugees. As a result, the Millennium Development Goals specifically establish a target for ending malaria deaths, with the help of long-lasting, insecticide-treated bed nets. Mr. Chairman, I know that this Committee has played a very important role in strengthening U.S. programs to reduce the incidence of malaria in the developing world, and for that we thank you. To allow Americans to join the fight against malaria, the United Nations Foundation launched a grassroots campaign called *Nothing But Nets* to raise awareness and funding to combat malaria. Nothing But Nets has a simple message –Malaria Kills, Send a Net, Save a Life. A simple $10 donation can protect a family in Africa from malaria. To date, hundreds of thousands of supporters have joined the campaign to raise funds and raise their voices to save lives. However, this campaign would not be possible without partners in the corporate and foundation world, including such diverse partners as the National Basketball Association, Major League Soccer, and the United Methodist Church. This pairing might not seem natural – but combined with an additional 14 partners who give *Nothing But Nets* the chance to raise awareness and funds from their fans and followers, from Bishops to basketball players, we have raised more than $33 million to distribute more than 3 million nets in 15 countries across Africa– a significant contribution toward MDG 6 – to combat HIV/AIDS, malaria and other diseases.

Another good example of our partnerships support of the MDGs is our work in immunizing children against measles, another major killer in the world. *The Measles Initiative* is a partnership that takes the best skills of multiple organizations and combines them into a clear plan for global measles reduction. From 1990-2001, global measles deaths decreased *only* 3% each year. Since 2001, the UN Foundation has been leading the charge, along with the Red Cross, the U.S. Centers for Disease Control, UNICEF, and the World Health Organization, in ending deaths from measles, and has also provided a platform for private corporations like

Vodafone and faith groups such as the LDS church to invest in this very important program. From 2001-2008, global measles deaths decreased 10% each year. One organization on its own could not have achieved a 90% reduction in measles deaths in Africa. So far, the reduction in the number of global measles deaths is the single greatest contribution to achieving MDG 4 by lowering the rate of childhood mortality by 23 percent.

In addition to our work on measles, the UN Foundation is also an active member of the *Global Polio Eradication Initiative*. Along with our partners at the Bill and Melinda Gates Foundation, WHO and Rotary International, we have, in a single generation, successfully eliminated 99 percent of polio cases worldwide.

The UN Foundation is proud of the work that we and our partners do to further the lives of children in the developing world through immunization. Time and again, our partnerships have demonstrated that vaccines are the single most effective means to save and improve the lives of children. Vaccine interventions can prevent 8 million more deaths by 2020. We look forward to working in the near future with a broad coalition of partners on elevating the conversation on vaccines.

Another exciting example of a public-private partnership in support of the Millennium Development Goals is the recently-launched *Girl Up* Campaign. The Members of this Committee know all too well the plight facing many adolescent girls in the developing world. One in seven girls marries by age 15, seventy percent of out-of-school youths are girls, and few girls receive access to comprehensive health care. Adolescent girls 15-19 are twice as likely to die in child birth as women over twenty. Girls from 10-14 are 5 times as likely to die. Yet only half a cent of every development dollar – half a cent – goes to programs specifically designed to help adolescent girls. That is why the Millennium Development Goals call for gender equality, universal access to primary education, and improved maternal health.

By partnering and providing resources to the Girl Up campaign, we are helping to connect adolescent girls in the United States to girls in the developing world: Girl Up funds will support United Nations programs that provide comprehensive health care, life skills education to keep girls safe from violence, and funding to allow girls to enter and stay in school. Most importantly, this program gives American girls a chance to be part of a vitally-important mission – ensuring that girls in the developing world have the same opportunities that they are so fortunate to have.

With our Girl Up campaign, we seek diversity in our partnerships – we look for marketing partners, constituency building partners, funding partners, and programmatic partners. We have moved beyond the traditional "corporate partner" in order to understand what it is that corporation is providing. Our experience with partnership campaigns is that it is important to focus on the intended outcome versus the nature of the organization

Another innovative approach to partnerships is to create a coalition of partners with a common goal. According to the World Health Organization, smoke from traditional cookstoves causes 1.9 million deaths annually (mostly women and children), and millions more suffer from chronic lung diseases as a result of cooking over open fires on a daily basis. "Black carbon" emissions are also a major contributor to climate change, and women are often put at risk of violence in the search for wood and other fuels. Adoption and deployment of clean and efficient cooking stoves and fuels must be a major priority for the global community.

In response, the UN Foundation is actively working with the U.S. Department of State, the Environmental Protection Agency, the Shell Foundation, UN-Energy, the World Health Organization, the World Food Programme, and the German Ministry for Economic Cooperation and Development to create a Global Alliance for Clean Cookstoves to scale up the adoption of clean cookstoves in the developing world. By establishing standards for cleaner stoves, funding health and climate research, and spurring innovative financing mechanisms, the Alliance will seek to bring about a sustainable cookstove industry that can reach an additional 100 million households – roughly 20 percent of the affected population – with clean and efficient stoves and fuels by 2020. This is a rare and exciting opportunity to improve public health (addressing MDGs 4, 5, and 6) and mitigate climate change (MDG 7, ensuring environmental sustainability).

Finally, The UN Foundation has engaged in a successful five-year, 30-million-dollar partnership with the Vodafone Foundation to advance the work of the United Nations. This has become an effective model for how private sector experts and public charities can work together to save lives and help achieve the MDGs.

After identifying the opportunity to use the explosion of cell phones in developing countries to improve health systems, the partnership created programs with the World Health Organization in 22 African countries to use mobile phones to collect and share health information instead of the previous method of paper and pencil. mHealth can quickly track and contain disease outbreaks, support nation-wide child immunization campaigns, and identify stockouts of crucial medical supplies such anti-malarial drugs. Those experiments led the Vodafone Foundation and UN Foundation to join forces with the Rockefeller Foundation, the US Government's PEPFAR program, and the global wireless industry trade association (GSMA) to launch the mHealth Alliance to move mobile health from experiments to full deployment.

The Secretary-General's Joint Action Plan for achieving the MDGs calls for Innovation in service delivery. Scott Ratzan co-chairs the Innovation Working Group which is strongly supporting mHealth along with other innovations. Our Foundation leads the Advocacy Group for the Action Plan.

Last month the mHealth Alliance and a highly diverse group of public and private partners gathered in London to announce a major new initiative aimed squarely at lowering maternal mortality. This program is bringing together the experts in maternal and newborn

health, NGOs, governments, and the wireless industry. Mothers and babies should not be dying when the information to save them can be in the hands of a family member or midwife. We were delighted that both Co-Chairs of the Innovation Working Group were present to kick this off -- and are working so closely with us on this project. I have attached a summary of this exciting Maternal and Newborn mHealth Initiative to my testimony. In addition, we will be co-hosting a major mhealth Summit with NIH and the NIH Foundation this November.

Conclusion

In conclusion, I would like to add a few points about the challenges of making partnerships successful.

First, it is critical to bring all partners and recipients to the table from the start of any initiative. Co-creation is essential.

Second, partnerships succeed best when everyone has a clear role to play and can play from strengths and competencies—not just financial resources.

Third, partnerships work best when they take the time to create full business plans with clear goals and objectives. To be sustainable, these need to serve the different interests of the various partners.

Fourth, the UN, which traditionally had not been partner-friendly outside its normal member state environment, is becoming more adept and successful at partnerships and so is the U.S. government.

And fifth, Congress has an important opportunity to support public-private partnerships in support of the Millennium Development Goals. As this Committee considers legislation to re-write the Foreign Assistance Act, it is critically important that USAID and the State Department are directed to work closely with public-private partnerships, and to actively encourage these efforts. Given scarce public and private resources, it is imperative that money be well spent and effectively coordinated.

I am proud that the United Nations Foundation has had a history of successful partnerships; and looking forward, we will continue to work together with our partners to drive progress toward the achievement of the Millennium Development Goals. Thank you again for the opportunity to testify, and I would be pleased to answer any questions you may have.

Mr. CARNAHAN. Thank you.

Next I want to recognize Dr. John McArthur for 5 minutes.

STATEMENT OF JOHN MCARTHUR, PH.D., CHIEF EXECUTIVE OFFICER, MILLENNIUM PROMISE

Mr. MCARTHUR. Thank you, Mr. Chairman, and thank you to members of the committee for the honor of inviting me to testify today and for your leadership in convening this important hearing on the Millennium Development Goals at what is very much an important juncture in their history.

The goals were established by world leaders, as you mentioned, at the Millennium Summit in September 2000. I think one of their greatest contributions is that they are a series of specific, quantified, and time-bound targets to address the integrated challenges of hunger, education, health, infrastructure, environmental management, and gender equality.

What they have done is they have galvanized a global effort of unprecedented, if still imperfect, coherence to tackling the challenges that are faced by the one-fifth of humanity that still lives under the most extreme forms and conditions of poverty, which we generally describe as living on less than $1 a day.

The summit this September, which has previously been referred to, is the last major checkpoint on the status of the Millennium Goals before the 2015 deadline. World leaders will convene to agree on the actions required to achieve the goals. And the ambitions very much were set by President Obama last September, when he asserted in his speech at the General Assembly that the United States will support these goals, will approach this year's summit with a global plan to make them a reality, and will very much set our sights, as he said, on the eradication of extreme poverty in our time.

The MDGs are the world's goals. Their emphasis on outcomes has prompted a global effort to address issues of scale, metrics, finance, and joint accountability between developed and developing countries.

Since they were established 10 years ago, the developing world has seen many breakthroughs, as have been discussed in some detail already. We have seen hundreds of millions of people lifted out of conditions of extreme poverty. We have seen massive expansion in global health efforts. We have seen dramatic inroads in the fight against disease. We have seen extraordinary progress in areas of access to water, in some countries in particular. And there are many, many successes that many thought were impossible before the goals came to fruition.

The challenge today is to accelerate progress in the poorest countries where the MDGs are not on track. In general, the starkest gaps are in the areas of agricultural productivity, maternal health and health systems, water, and economic infrastructure for growth in the poorest countries. I would be pleased to share more details with the committee regarding these programs and successes and gaps, but for now let me stress that these are the areas where an especially concerted push is needed.

The MDGs should be, but have not been, a strategic priority for the United States. They have a complicated history in this country.

In 2002, the spirit of the goals was incorporated into the establishment and naming of, indeed, the Millennium Challenge Account and, in turn, the Millennium Challenge Corporation, although that institution has not, in practice, focused on the Millennium Development Goals. The wording disconnect has even caused confusion in much of Washington, since "millennium" as a word tends to be associated with the growing pains of a new institution rather than the internationally agreed targets that have been driving the global antipoverty agenda throughout the rest of the world.

Nonetheless, in 2002, President Bush joined world leaders in Monterrey, Mexico, and committed the United States, along with other developed countries, to make concrete efforts toward the target of 0.7 percent of gross national product as official development assistance to developing countries.

Fortunately, the Millennium Goals are feasible within this commitment since the financing requirements are modest: Approximately ½ of 1 percent of the rich countries' collective national incomes—½ of 1 percent.

However, U.S. foreign assistance continues to rank among the very lowest of advanced economies, at 0.2 percent of national income. Few people outside of Washington are aware that, as a share of national income, U.S. Foreign assistance actually hit its all-time low in 1997. Under the Bush administration, the U.S. made an important change in direction, led by targeted and focused programs that tackled challenges of HIV/AIDS and malaria, in particular, through both bilateral programs and multilateral programs, such as The Global Fund to Fight AIDS, TB, and Malaria.

Congress's bipartisan commitment to global health is to be applauded. It has had a significant multiplier effect in leveraging additional commitments from around the world. The Obama administration has continued its predecessor's support for global health, although there are concerns that support in this area is flat-lining much too prematurely. The Obama administration has also played a pivotal role in advancing the global agriculture agenda.

The U.S. situation can be compared, for example, to the U.K. situation, where Prime Minister Cameron and the conservative government in coalition has taken on the 0.7 target to be achieved by 2013. In the most recent budget, the government confirmed that it would not carry its fiscal consolidation program on the backs of the world's poorest people and has actually protected both health and international development while making dramatic cuts throughout the rest of the government to consolidate its fiscal position.

Millennium Promise was created amidst this backdrop of global support for the MDGs, the Millennium Goals, cofounded by Mr. Raymond Chambers, the path-breaking business leader, and Professor Jeffrey Sachs, the eminent economist, bringing together many others like Donald Keough, the former CEO of Coca-Cola; Quincy Jones, the music legend; and many others from Columbia University, the U.N. Development Program, and so forth.

As the chairman said, we convened many people across Africa to work with nearly 0.5 million local villagers across 10 countries to implement an integrated approach of low-cost, high-impact interventions. The results have been tremendous: A tripling of basic maize yields, more than a 50-percent reduction in malaria preva-

lence, a three-fold increase in access to improved drinking water, and a remarkable one-third reduction in child malnutrition.

This has drawn upon partnerships from leading private philanthropists, such as Mr. George Soros; from corporate partners like Ericsson, which is bringing 3G connectivity to villages across Africa; Sumitomo Chemical, which has piloted the mass distribution of bed nets; Agrium and Mosaic, which are making major contributions of fertilizer; and Tommy Hilfiger, which is supporting programs directly.

These lessons of success have fed into a much broader movement. And the strategy of partnership is crucial for the goals to be achieved, from both public and private leaders.

We have seen efforts like Malaria No More take shape, chaired now by Peter Chernin, the former president of News Corp., who has provide magnificent leadership with many celebrities, government leaders, private foundations like the U.N. Foundation, to make a major breakthrough in malaria control.

We have seen the World Economic Forum's community of young global leaders take on a "People's Plan of Action" for the Millennium Development Goals, with the idea that every person has the ability and a responsibility to make a measurable, action-oriented pledge to the goals.

Less than 2 months before the summit, the world has been anxiously awaiting the United States to present its draft action plan. The administration recently presented a two-page outline of its strategy, but this is only a loose statement of general directions. If the U.S. is to provide leadership for the MDGs, it is imperative that the government presents a draft action plan in a matter of days, not weeks.

So I would like to conclude, Mr. Chairman and members of the committee, by offering a few suggestions for that draft action plan.

First, fully fund the Feed the Future strategy, in particular through the new multilateral Global Agriculture and Food Security Program.

Second, support a new global fund for education, as proposed by President Obama and Secretary Clinton, and include secondary education in its mandate, with a special focus on girls.

Third, continue to scale up the U.S. global health leadership by focusing on the problems that still need to be solved. That includes full financing for the programs PEPFAR and PMI for AIDS and malaria and increasing the annual contribution to The Global Fund from $1 billion to $2 billion a year, recognizing that $1 from the U.S. leverages $2 from other advanced economies.

And, crucially, also endorsing the Secretary-General's proposed joint action plan for child, maternal, and newborn health, and carry that forward by creating a new multilateral effort on maternal and child health, anchored in The Global Fund, with initial U.S. financing of $2 billion per year, again leveraging the 1:2 ratio that comes with other financing crowding in with the U.S.

Fourth, support a major scale-up of African economic infrastructure with U.S. Funding of at least $5 billion per year, including allocations through the World Bank and the African Development Bank.

Fifth, work with African countries to support holistic world development strategies, like the Millennium Villages.

Six, launch a new MDG innovation fund to scale up successful programs that present new delivery mechanisms for MDG achievement in low-income countries.

And, seventh and finally, set a 12-month timetable for the proposal and adoption of a proper international mechanism to achieve the water and sanitation Millennium Development Goals.

Thank you so much for allowing me to share these thoughts today, and I look forward to discussing them further.

[The prepared statement of Mr. McArthur follows:]

A New Spirit of Partnership for the Millennium Development Goals

John W McArthur
Chief Executive Officer
Millennium Promise Alliance

July 27, 2010

House Committee on Foreign Affairs
Subcommittee on International Organizations, Human Rights and Oversight

Mr. Chairman and members of the Committee, thank you for the honor of inviting me to testify today, and for your leadership in convening this important hearing on the Millennium Development Goals (MDGs) at a critical juncture in their history. The MDGs were established by world leaders at the Millennium Summit in September 2000. As a series of specific, quantified, and time-bound targets to address the integrated challenges of hunger, education, health, infrastructure, environmental management and gender equality, the Goals have galvanized a global effort of unprecedented, if still imperfect, coherence to the challenges of the one fifth of humanity still living under the most extreme conditions of poverty, generally measured as less than a dollar per day.

On September 20-22, the MDG Summit, which represents the last major checkpoint on the status of the MDGs, will convene world leaders to agree on the actions required to achieve the Goals by the agreed deadline of 2015. Global ambitions for the summit were set last year when President Obama asserted in his speech to the U.N. General Assembly: "[The United States] will support the Millennium Development Goals, and approach next year's summit with a global plan to make them a reality. And we will set our sights on the eradication of extreme poverty in our time."

The MDGs are the world's goals. Their emphasis on outcomes has prompted a global effort to address issues of scale, metrics, finance, and joint accountability between developed and developing countries. Since they were established 10 years ago, the developing world has seen many remarkable breakthroughs. The number of people living in extreme poverty has declined by at least 200 million people, thanks mainly to Asia's transformational economic growth. Global improvements in child survival have accelerated, and more than 5 million developing country AIDS patients are now on proper treatment, that number having increased more than 1 million people in 2009 alone.

Sub-Saharan Africa (hereafter "Africa") remains the region that endures the greatest burden of extreme poverty and the most gradual long-term progress towards the MDGs, although the past decade has seen many great successes across the continent. Average economic growth has been its most robust in decades. Primary school enrollment has jumped by more than 40 million children since 1999. Measles deaths have declined more than 90 percent. Malaria has seen decisive breakthroughs in the past five years alone.

There are important country-level successes too. Malawi, for example, began a national program five years ago to help its farmers obtain fertilizer and seeds. This doubled the country's food production, kick-started economic growth, and helped re-energize the international community's attention to agriculture. President Obama, Secretary of State Clinton, and USAID Administrator Shah have each played key roles in advancing the global agricultural agenda over the past 18 months. Continued progress in smallholder agriculture will yield a crucial double dividend for both hunger and economic growth.

The challenge today is to accelerate progress in the poorest countries where the MDGs are not on track. In general, the starkest MDG gaps are in the areas of agricultural productivity, maternal health, water, and economic infrastructure. I would be pleased to share more details with the Committee regarding MDG successes and gaps, but for now let me stress these as the areas where an especially concerted push is needed.

The United States and the MDGs

The MDGs should be, but have not been, a strategic priority for the United States. The President's recent national security strategy placed a strong emphasis on development in the poorest countries. Part of this is grounded in an understanding that human suffering in any part of the world can ultimately present a strong risk to American interests, as the poorest countries face the greatest risk of violent conflict and instability. Part is anchored in an ambition simply to promote American values. Part is based on the knowledge that there is much greater risk of instability in predominantly rain-fed agricultural African economies that are enduring significant climate stress. The concentration of global population growth in low-income countries with high child mortality and increasing environmental scarcity only amplifies the need to invest in MDG-consistent development strategies in all parts of the world.

In the United States, however, the MDGs have had a complicated history. In 2002, the spirit of the Goals was incorporated into the establishment and naming of the Millennium Challenge Account, and in turn the Millennium Challenge Corporation, although that institution has not in practice focused on the Millennium Development Goals. The wording disconnect has caused confusion in much of Washington, since "Millennium" tends to be associated with the growing pains of a new institution rather than the internationally agreed targets that have been driving the global anti-poverty agenda throughout the rest of the world.

Nonetheless, in 2002, President Bush joined world leaders in Monterrey, Mexico and committed the United States and other developing countries to "make concrete efforts towards the target of 0.7 percent of gross national product (GNP) as ODA [official development assistance] to developing countries." Fortunately the MDGs are feasible within this commitment, since the financing requirements are modest – approximately one half of one percent of the rich countries' collective national incomes.

U.S. foreign assistance continues to rank among the very lowest of advanced economies, at 0.2 percent of national income. This is a point of frequent confusion to the American public, since America is also the largest aid-giver. Private giving has been increasing, including the transformational investments of the Bill and Melinda Gates Foundation, but in relation to its income the U.S. still gives less foreign aid than most other countries because it is the world's largest economy.

Few people outside of Washington are aware that, as a share of national income, U.S. foreign assistance actually hit its all-time low in 1997. Under the Bush Administration, the U.S. made an important change in direction, led by targeted programs that focused on HIV/AIDS and malaria, including the Global Fund to Fight AIDS, TB, and Malaria. Congress' bipartisan commitment to global health is to be applauded. It has had a significant multiplier effect in leveraging additional commitments from around the world.

The Obama administration has continued its predecessor's support for global health, although there are concerns that support in this area is flat-lining much too prematurely. As mentioned, the Obama administration has also played a pivotal role in advancing the global agriculture agenda. A successfully scaled launch of the Feed the Future initiative will be crucial to tackling extreme poverty and achieving the MDGs in the poorest countries.

The U.S. foreign assistance program can be compared, for example, to that of the United Kingdom. In the U.K., there is an all-party commitment to the MDGs and to reaching the 0.7 percent aid target by 2013. Prime Minister Cameron's recent budget asserted that it will protect its commitment to international development and health, while implementing major cuts throughout the rest of government. The Conservatives have made clear that they will not burden solutions to the U.K.'s fiscal crisis on the backs of the world's poorest people.

It is also worth noting how the United States foreign assistance budgets compare to other contemporary aggregate figures. In 2009, for example, Wall Street bonuses were at least $20 billion. In the same year, total U.S. aid flows to Sub-Saharan Africa were $7.5 billion. Whatever one thinks about the merits of these bonuses, the numbers underscore a deep truth of how the U.S. economy allocates resources.

Millennium Promise and the Millennium Villages

Many eminent business and non-governmental leaders throughout the United States have expressed strong and growing interest in the supporting the MDGs. It was against this backdrop that Millennium Promise was launched in 2005 as the first U.S.-based organization explicitly committed to supporting the achievement of the Goals. The co-founders were Mr. Raymond Chambers, the path breaking business leader, and Prof. Jeffrey Sachs, the eminent economist. The founding leadership group of board members ranged from Mr. Donald Keough, former CEO of Coca-Cola, to Mr. Quincy Jones, the American music legend. Today I have the privilege of serving the organization as CEO.

Millennium Promise's flagship initiative is the Millennium Villages project, implemented jointly with the Earth Institute at Columbia University and the United Nations Development Program. The project works with approximately half a million people living in rural communities across 10 countries in Africa to implement an integrated approach of low-cost, high-impact interventions such as fertilizer, modern seeds, anti-malaria bed nets, school meals, pit latrines, and basic water points.

Importantly, the Millennium Villages are grounded in a joint venture strategy whereby programs are implemented through direct collaboration between local communities, local organizations, local African governments, and international partners. All the staff on the ground in Africa are Africans. To their great credit, these talented professional have done a magnificent job in demonstrating the remarkable progress that can be made across a variety of challenging rural environments when modest resources are linked to an integrated package of targeted interventions.

By focusing holistically on communities' integrated priorities in agriculture, education, health, gender equality, infrastructure, and business development, the project has achieved breakthrough results. Our recent report, *Harvests of Development in Rural Africa*, presents the following metrics from five program sites after only three years:

- A tripling of maize yields, which typically means a leap from not growing enough food to feed a family to growing enough to enable selling, saving, and investing;
- More than a 50 percent reduction in malaria prevalence;
- A three-fold increase in access to improved drinking water, from 20 percent to 72 percent; and
- A remarkable one-third reduction in chronic child malnutrition.

Partnerships are critical to the success of the Millennium Villages, and since the project's launch four years ago its network of partners has grown dramatically. The Governments of Japan and Korea have both been instrumental partners. A majority of the innovation-focused effort has been backed by private philanthropists aiming to support a new results-based approach to integrated rural development, most notably the pioneering philanthropist Mr. George Soros.

Many corporate partners have also joined to contribute their technologies and expertise. Ericsson, for example, is helping to introduce "3G" wireless data connectivity into all the Millennium Village sites. Sumitomo Chemical has piloted mass distribution of its long-lasting insecticide-treated nets. General Electric has made key contributions for surgical equipment and Novartis has made major contributions of both anti-malaria medicine and direct program support. Agrium and Mosaic, the agricultural companies, have made major contributions of fertilizer. Tommy Hilfiger Corporation directly supports a community in Uganda while the musician John Legend supports one in Tanzania. Each of these companies, and many others, has identified a way not just to contribute their own comparative advantage to the MDGs, but to *leverage* their contribution by ensuring it is implemented as part of an integrated multi-sector strategy.

The results of the Millennium Villages have inspired important efforts at scale-up. In Mali, for example, the government has put forward a strategy to expand a Millennium Village-inspired model to 166 of the most food insecure parts of the country. Impressively, the Government of Nigeria has set aside the resources freed up by international debt relief to launch a program that will support expansion of integrated local government programs for health, education and agriculture to 20 million people across the country.

MDG Partnerships

As with the Millennium Villages, the MDGs have inspired a broad and results-oriented approach to public-private partnerships in the fight against extreme poverty. Malaria No More is one of the more notable recent such efforts. The alliance-focused organization was incubated by Millennium Promise and is now chaired by Peter Chernin, former President of News Corporation, who, along with Ray Chambers, has provided magnificent leadership in working with media leaders, celebrities, government leaders, private foundations like the U.N. Foundation, and other non-governmental organizations to support the extraordinary breakthrough in malaria control in Africa.

As another important example, the World Economic Forum's community of Young Global Leaders took inspiration from President Obama's September 2009 U.N. speech to launch a "People's Plan of Action for the MDGs" earlier this year. The simple idea is that every person and organization has an ability and responsibility to make a measurable, action-oriented pledge to support the achievement of the MDGs. More than 65 million people in the developing world will be reached thanks to the first five dozen pledges that this community has made. They include Johann Koss, the Olympic legend and founder and CEO of Right to Play; Zainab Salbi, the founder and CEO of Women for Women International; Sheryl Sandberg, the Chief Operating Officer of Facebook; and also the prize-winning economists Esther Duflo and Kristen Forbes of MIT and Michael Kremer of Harvard. There is a broad public hunger to act, even where governments are lagging.

Recommendations for an MDG Action Plan

Less than two months remain until the MDG Summit in September. Following President Obama's speech last year, the world has been anxiously waiting for the United States to present its draft action plan. Unfortunately, despite the Administration's talent and commitment on these issues, it has not yet presented a substantive proposal to set the stage for the MDG Summit. The Administration has very recently presented a 2-page outline of its draft strategy, but this is only a loose statement of general directions. It does not identify any delivery targets, policy vehicles, financing mechanisms and amounts, partnership strategies, nor accountability structures between developed and developing countries. If the U.S. is to provide leadership for the MDGs, it is imperative that the Government presents a draft action plan in matter of days, not weeks. In cases where MDG breakthroughs have take place over the past decade, at least five common success factors can be identified. (1) Policies have focused on implementation of known

technologies; (2) Programs have hinged on developing country-driven national implementation strategies; (3) National strategies have been evaluated through independent technical review and support; (4) Programs have been driven by a clear emphasis on performance metrics; and (5) Adequate public finance has been available.

The following are recommendations for the Administration and Congress to consider in crafting the U.S. Action Plan, which will be pivotal to this September's outcomes and in turn to the fate of the MDGs:

- Fully fund the Feed the Future strategy, in particular through the new multilateral Global Agriculture and Food Security Program.

- Support a new Global Fund for Education, as proposed by President Obama and Secretary Clinton, and include secondary education in its mandate, with special focus on the needs of girls.

- Continue to scale-up the U.S. global health leadership by focusing on the problems that still need to be solved rather than pausing based on the achievements of the past decade. This has two parts:

  First, commit full financing for the President's Emergency Program for AIDS Relief and the President's Malaria Initiative; and increase the U.S. annual contribution to the Global Fund to Fight AIDS, TB, and Malaria from $1 billion to $2 billion, recognizing that $1 dollar from the U.S. leverages $2 dollars from other advanced economies.

  Second, endorse the U.N. Secretary-General's proposed Joint Action Plan for child, maternal and newborn health, and launch a new multilateral effort on maternal and child health anchored in the Global Fund, with initial U.S. financing of $2 billion per year that again leverages the 1-to-2 ratio.

- Support a major scale-up of African economic infrastructure, as recommended by the MDG Africa Steering Group, with U.S. funding of at least $5 billion per year, including allocations through the World Bank's International Development Association and African Development Bank's African Development Fund.

- Work with African countries to support holistic rural development scale-up strategies like the Millennium Villages.

- Launch a new MDG Innovation Fund to scale-up successful programs that present new delivery mechanisms for MDG achievement in low-income countries.

- Set a 12-month timetable for the proposal and adoption of a proper international mechanism to achieve the water and sanitation MDG targets.

Mr. CARNAHAN. Thank you.

And next I would like to recognize Dr. Scott Ratzan.

STATEMENT OF SCOTT C. RATZAN, M.D., VICE PRESIDENT, GLOBAL HEALTH, GOVERNMENT AFFAIRS AND POLICY, JOHNSON & JOHNSON

Dr. RATZAN. Thank you, Mr. Chairman and committee members. On behalf of Johnson & Johnson, I really appreciate the opportunity for you calling this important hearing and inviting us to share our thoughts and perspectives of achieving the U.N. Millennium Development Goals.

Particularly, we would like to talk about how public-private partnerships, or, Mr. Chairman, as you call them, private interventions or initiatives, can play a significant role. And we appreciate your leadership, Mr. Chairman, in supporting efforts to address the MDGs.

The challenges we face as a global community to achieve the MDGs, particularly in maternal and child health, are great. And the MDGs that relate to women and children's health are lagging furthest behind. For example, a woman in an underdeveloped country is 300 times more likely to die during childbirth or from pregnancy-related complications than her counterpart in a developed country. Bold, focused, and coordinated action is required to accelerate progress on the MDGs related to health.

With only 5 years left until 2015 to achieve the MDGs, U.N. Secretary-General Ban Ki-moon initiated a new global effort on women and children's health, titled, "Investing in Our Common Future: Joint Plan of Action for Women and Children's Health." Johnson & Johnson was one of the two representatives of the private sector initially selected to participate in the Secretary-General's initiative, joining others from throughout the United Nations member states and key civil society actors.

I co-chair the Innovation Working Group of the U.N. Joint Action Plan, along with Tore Godal, who is special advisor on Global Health to the Prime Minister of Norway. This group includes representatives from USAID, the United Nations, Canada, Rwanda, India, Harvard University, Rockefeller and Gates Foundations, and others.

The Innovation Working Group has published draft papers that promote ideas that should catalyze future opportunities for the MDGs. They are available on the Web site and will be published later this year. And we have made these available, Mr. Chairman, to the committee. There are 10 different ones that are here, with a variety of perspectives, again, to foster innovation.

We know that progress in developing and delivering healthy pregnancies and healthier babies is possible with innovation. Some of the poorest countries are now making significant reductions in maternal and neonatal mortality. Country-led as well as global innovations can achieve further reductions enabling health services to produce better outcomes at the same costs that we have today. These range from financial incentives to promote performance and results to innovative use of mobile phones and other communication tools, some of which you have already heard about.

These working papers include ways to improve effective services for women and children, including improving health literacy, the development and use of new technologies, as well as innovation and delivery of services through public-private initiatives.

Johnson & Johnson has a long legacy of engaging in public-private partnerships focused on maternal and child health initiatives in many developing and developed countries. All of these have a focus of making life-changing, long-term, sustainable differences in human health and tied to advancing one or more of the Millennium Development Goals. Our approach focuses on working with community-based partners that have the greatest insights into the needs of local populations and the strategies that stand the greatest chances of success.

Some of our examples of our activities include contributions microbicide development, HIV prevention, helping children attain their utmost potential by treating and preventing intestinal worms, efforts to halt the scourge of tuberculosis, and initiatives to prevent mother-to-child transmission of HIV. I will go through four of these examples.

The first is from 2004, when Johnson & Johnson established a first-of-its-kind partnership with the International Partnership on Microbicides to provide a royalty-free license and technology transfer to develop, manufacture, and distribute its compound TMC120 as a topical vaginal microbicide to help protect women from infection with HIV in developing countries. We were the first pharmaceutical company, and this effort spearheaded other companies to follow suit with further contribution of their compounds to the IPM partnership. And, as you may have heard last week in Vienna, microbicides are a promising approach to halting the incidence of HIV.

Secondly, since 2006, we have partnered with the Task Force for Global Health on Children Without Worms. This is the first and only entity to focus specifically on global treatment and prevention of soil-transmitted helminthiasis, or commonly known as intestinal worms. STH, or soil-transmitted helminthiasis, contributes to general weakness, malnutrition, iron-deficiency/anemia, and impaired physical and intellectual development in school-aged children.

The program that we have helped developed is treating approximately 20 million people with mebendazole, a drug developed by our pharmaceutical business, and is working to stop the cycle of reinfection through health education, access to clean water, and improved sanitation infrastructures. And this is currently active in eight countries that have high prevalence rates.

Third, as the new drugs for development of drug-resistant tuberculosis are in dire need, Johnson & Johnson formed a landmark collaboration with the Global Alliance for TB Drug Development, a not-for-profit product development partnership to accelerate the discovery and development of new drugs to fight tuberculosis. This collaboration is maximizing the expertise and resources from the both the public and private sectors, with the intent to improve the treatment of one of the world's oldest and most deadly diseases. We are sharing expertise and resources in the development of a novel Johnson & Johnson compound in development, and this is heralded

as the first new tuberculosis drug with a new mechanism of action in 40 years.

And, finally, Mr. Chairman, a final example that we would like to talk about contributes to how we have helped eliminate mother-to-child vertical transmission of HIV by 2015, which has also been heralded as a goal by the United Nations.

For several years, Johnson & Johnson has partnered with the Elizabeth Glaser Pediatric AIDS Foundation and mothers2mothers. Our partnership has reached more than 1.9 million women with counseling, provided more than 1.7 million with HIV testing, and administered antiretroviral prophylaxis to nearly 140,000 HIV-positive mothers in 11 countries.

J&J also became mothers2mothers' first corporate partner in 2006 and is one of the largest supporters, as this partnership has reached over 3,500 new HIV-positive mothers each month in South Africa, Lesotho, and Swaziland.

Each of these examples demonstrates how actors in the public and private sectors drive innovative solutions to address some of the world's most pressing global health issues affecting women and children. These partnerships all call for a shared vision, strategic thinking, and collaboration to be successful. Healthy partnerships leverage the unique skills that each partner brings to the table to effect change.

We believe the best value comes when the United Nations and other governmental bodies involve the private sector to catalyze efforts and when the private sector leverages governmental investments. We see this in our engagement with the United Nations and other stakeholders, including the U.S. Government, on health literacy initiatives.

And, Mr. Chairman, health literacy is something not only heralded domestically in the United States in health reform and in the National Action Plan with HHS, but also led efforts in Missouri, with some of the great State innovations that Missouri is also sharing with the world and vice versa.

We also believe that our efforts at Johnson & Johnson on global health diplomacy drive new ways of thinking that can help shape stronger, more sustainable approaches, benefiting mothers and fathers around the world.

The recent resolution adopted by the United Nations General Assembly on prevention and control of noncommunicable diseases stresses the need for a multi-sectoral response also to combat noncommunicable diseases. In this resolution, the U.N. recognizes the enormous human suffering caused by noncommunicable diseases, such as cardiovascular diseases, cancers, chronic respiratory diseases, and diabetes, and the threat they pose to the achievement of the MDGs.

We see this challenge of noncommunicable diseases and support the multi-sectoral input currently being developed by the United Nations and the World Health Organization. Johnson & Johnson represents the pharmaceutical industry with our seat on the World Health Organization's NCDNet, a global noncommunicable disease network developed.

We also further contribute with our leadership through the World Economic Forum, chairing the chronic disease and wellness

activities. The World Economic Forum has designated the threat of noncommunicable diseases to economic and health and wellbeing. And we also now welcome more engagement with the U.S. Government, the U.N., and other interested parties in this effort.

The U.N. joint plan of action for women and children's health offers renewed hope for the future, as the varied participants explore ways to build upon, revitalize, and secure new commitments from a range of influential partners, as well as provide organization and accountability for delivery at the highest level. During the formative stages, participants agree that this joint action plan should focus on increased political commitment and accountability, integrated delivery, and enhanced financing for women and children's health.

In conclusion, I would like to remind, as we believe, that global health and development are too important to relegate to any one group. Congress has an important opportunity to support and encourage more public-private partnerships in health literacy, in maternal and child health, and other related areas that could help address the Millennium Development Goals.

Additionally, it is critically important to foster public-private partnerships that build more integrated program offerings that focus less on trying to solve just one issue and more on holistic approaches to address the many challenges facing women and children in resource-poor settings.

Thank you very much.

[The prepared statement of Dr. Ratzan follows:]

Subcommittee on International Organizations, Human Rights and Oversight

RUSS CARNAHAN (D-MO), CHAIRMAN

Achieving the United Nations Millennium Development Goals:
Progress through Partnerships

Testimony from:

SCOTT RATZAN, M.D.
Vice President, Global Health, Government Affairs and Policy
Johnson & Johnson

July 27, 2010

Good morning Mr. Chairman and Committee members.

On behalf of Johnson & Johnson, I would like to thank Chairman Carnahan and Ranking Member Rohrabacher for calling this important hearing and for inviting me to be here to provide perspectives on achieving the United Nations Millennium Development Goals (MDGs) and, in particular, how public-private partnerships can play a significant role. Your leadership, Mr. Chairman, in supporting efforts to address the MDGs is noteworthy and appreciated.

The challenges we face as a global community relative to achieving the MDGs – particularly in maternal and child health – are great. The MDGs that relate to women and children's health are lagging furthest behind. A woman in an underdeveloped country, for example, is 300 times more likely to die during childbirth or from pregnancy-related complications than her counterpart in a developed country. Bold, focused, and coordinated action is required to accelerate progress on the MDGs related to health.

With only five years left until the 2015 deadline to achieve the MDGs, UN Secretary-General Ban Ki-moon has initiated a global effort on women and children's health titled "Investing in Our Common Future: Joint Plan of Action for Women's and Children's Health." Johnson & Johnson was one of two representatives of the private sector initially selected to participate in the Secretary General's Initiative joining others from throughout the UN, member states and key civil society actors.

I co-chair the Innovation Working Group of the UN Joint Plan of Action along with Tore Godal, Special Advisor on Global Health to the Prime Minister of Norway. This group includes representatives from USAID, the UN, Canada, Rwanda, India, Harvard University, the Rockefeller and Gates Foundations and others. The Innovation Working Group has published draft papers that promote ideas that should catalyze future opportunities for the MDGs. They are available on a website and will be published with the Joint Plan of Action later this year. (http://www.who.int/pmnch/activities/jointactionplan/jap_innovationswg/en/index.html)

We know that without innovation, hundreds of thousands of women and girls will continue to die in pregnancy or childbirth every year, with 10 to 15 million more suffering long-lasting disabilities.

We know that progress in delivering healthier pregnancies and healthier babies is possible. Some of the poorest countries are now making significant reductions in maternal and neonatal mortality. Country-led as well as global innovations can achieve further reductions, enabling health services to produce better outcomes at the same cost. These range from financial incentives to promote performance and results to innovative use of mobile phones and other communication tools.

These working papers – with a broad scope of innovation to achieve better and more effective services for women and children – include improving health literacy, the development and use of new technologies such as mobile phones, as well as innovations in the delivery of services through an array of public-private partnerships.

Johnson & Johnson has as long legacy of engaging in public-private partnerships focused on maternal and child health initiatives in many developing (and developed) countries … all with a focus on making life-changing, long-term differences in human health, and tied to advancing one or more of the MDGs. Our approach focuses on working with community-based partners that have the greatest insights into the needs of local populations and the strategies that stand the greatest chances of success.

Some examples of our activities include contributions in microbicide development for HIV prevention, helping children attain their utmost potential by treating and preventing intestinal worms, efforts to halt the scourge of tuberculosis, and initiatives to prevent mother-to-child transmission of HIV (PMTCT).

1. In 2004, our affiliate Tibotec established a first-of-its-kind partnership with the **International Partnership on Microbicides (IPM)** to provide a royalty-free license and technology transfer to develop, manufacture and distribute its compound TMC120 as a topical vaginal microbicide to help protect women from infection with HIV in developing countries. This effort spearheaded other pharmaceutical companies to follow suit with further contributions of their compounds to the IPM.

2. Since 2006, we have partnered with the Task Force for Global Health on **Children Without Worms**, the first and only entity to focus specifically on global treatment and prevention of soil-transmitted helminthiasis (STH), or intestinal worms. STH contributes to general weakness, malnutrition, iron-deficiency anemia, and impaired physical and intellectual development in school-age children.

   The program is treating approximately 20 million children with mebendazole, a drug from our pharmaceuticals business, and is working to stop the cycle of re-infection through health education, access to clean water and improved sanitation

infrastructures. The partnership is active in eight countries with high prevalence rates: Bangladesh, Cambodia, Cameroon, Cape Verde, Lao People's Democratic Republic, Nicaragua, Uganda and Zambia. We collaborate with country governments and local NGOs to create sustainable treatment and control programs.

3. As new drugs for the treatment of drug-resistant tuberculosis are in dire need, Johnson & Johnson formed, through its affiliate companies Janssen Pharmaceutica and Tibotec, **a landmark collaboration with the Global Alliance for TB Drug Development (TB Alliance)**, a not-for-profit, product development partnership, to accelerate the discovery and development of new drugs to fight tuberculosis. The collaboration is maximizing the expertise and resources from both the public and private sectors with the intent to improve the treatment of one of the world's oldest and most deadly diseases. We are sharing expertise and resources in the development of a novel Johnson & Johnson compound in development (TMC207), which could become the first TB drug with a new mechanism of action in 40 years.

4. A final example contributes to a UN goal to eliminate mother-to-child vertical transmission of HIV by 2015. Johnson & Johnson has played a leadership role in **preventing mother-to-child transmission (PMTCT)** for several years with partnerships with the Elizabeth Glaser Pediatric AIDS Foundation (EGPAF) and mothers2mothers. Since 2003, our partnership with Glaser has reached more than 1.9 million women with counseling; provided more than 1.7 million with HIV testing; and administered antiretroviral (ARV) prophylaxis to nearly 140,000 HIV-positive mothers at approximately 1,450 sites across 11 countries. Johnson & Johnson became mothers2mothers' first corporate partner in 2006 and continues to be one of its largest supporters. Last year alone, the partnership reached over 3,500 new HIV+ mothers per month in facility-based sites in South Africa, Lesotho and Swaziland.

Each of these examples demonstrates how actors in the public and private sectors drive innovative solutions to address some of the world's most pressing global health issues affecting women and children. These partnerships call for a shared vision, strategic thinking and collaboration to be successful. Healthy partnerships leverage the unique skills that each partner brings to the table to affect change.

We believe the best value comes when the UN and other governmental bodies involve the private sector to catalyze efforts, and when the private sector leverages government investments. We see this in our engagement with the UN and other key stakeholders including the U.S. Government on health literacy initiatives. We believe our efforts in global health diplomacy drive new ways of thinking that can help shape stronger, more sustainable approaches benefiting mothers and fathers around the world.

The recent resolution adopted by the United Nations General Assembly on the prevention and control of non-communicable diseases stresses the need for a multisectoral response to combat

non-communicable diseases. In the resolution, the UN recognizes the enormous human suffering caused by non-communicable diseases, such as cardiovascular diseases, cancers, chronic respiratory diseases and diabetes, and the threat they pose to achievement of the Millennium Development Goals.

We see this challenge of Non-Communicable Diseases (NCDs) and support the multisectoral input being developed by the United Nations and World Health Organization. Johnson & Johnson represents the pharmaceutical industry with our seat on the World Health Organization's NCDNet, the global non-communicable disease network. We further contribute through our leadership with the World Economic Forum, leading the chronic disease and wellness activities. Given the threat of NCDs to economic and health well-being, we would welcome further engagement with the U.S. Government, the UN and other interested parties in this effort.

The UN's Joint Plan of Action for Women's and Children's Health offers renewed hope for the future as the varied participants explore ways to build upon, revitalize and secure new commitments from a range of influential partners, as well as provide organization and accountability for delivery at the highest levels. During the formative stages, participants agreed that a "Joint Plan of Action" should focus on increased political commitment and accountability, integrated delivery, and enhanced financing for women's and children's health.

Global health and development are too important to relegate to any one group. Congress has an important opportunity to support and encourage more public-private partnerships in health literacy, maternal and child health and other related areas that can help address the MDGs. Additionally, it is critically important to foster public-private partnerships that build more integrated program offerings that focus less on trying to solve just one issue and more on using holistic approaches to address the many challenges facing women and children in resource-poor settings.

Thank you.

Mr. CARNAHAN. Thank you.

And, finally, I would like to recognize Mr. James Roberts for 5 minutes.

STATEMENT OF MR. JAMES ROBERTS, RESEARCH FELLOW FOR ECONOMIC FREEDOM AND GROWTH, THE HERITAGE FOUNDATION

Mr. ROBERTS. Thank you, Mr. Chairman, and thank you, Mr. Ranking Member, for this opportunity to appear before your subcommittee.

In my opinion, Congress should reject approval of future taxpayer-funded U.S. Government official development assistance programs, or ODA, that are designed to achieve the U.N. MDGs.

I should note at the outset, I do not include emergency and humanitarian assistance in my critique of ODA. I would also like to compliment the significant positive role in development played by private charities and faith-based groups.

No one disputes the desirability of MDG goals, but there is significant disagreement about the best approach to achieve them. In my opinion, the U.N. programs will fail to achieve their objectives. If Congress continues to fund them, the only certainty is that they will further enrich corrupt elites in developing countries and they will provide continuing employment for a cadre of development assistance bureaucrats and other professionals who are advancing them.

Increasingly, experts in the developing world, such as Dambisa Moya of Zambia, who wrote a book recently called "Debt Aid," are voicing opposition to ODA. They know from firsthand experience that 50-plus years of foreign aid from OECD countries, totaling anywhere from $1.6 trillion to $2 trillion, depending on who your source is, has only strengthened corrupt elites, encouraged morally corrosive cultures of corruption, discouraged private and foreign and domestic investment, and actually contributed to a rise in poverty rates because of the expanded level of nonproductive government spending and the welfare-dependency mindset that that encourages.

One has only to drive 50 miles or so beyond the Beltway in Washington for evidence of the massive government stimulus spending in the United States in recent years and its failure. Although it has been a boon to public-sector unions, it has failed to help the average American to achieve his or her own set of MDGs. So why should anyone expect U.S. Government deficit-financed development assistance programs that emphasize welfare-state redistribution solutions and dependency to be any more successful in other countries? This is especially true at a time of unthinkably large U.S. deficits, as Congressman Rohrabacher mentioned.

A Swedish development economist, Fredrik Segerfeldt, has noted the failure to lift people out of poverty and has analyzed the reasons why. And his conclusion—and we share it at Heritage—is that these problems of development in these countries simply cannot be solved by foreign aid. Only economic growth can rescue the poor and extremely poor, and that growth cannot be generated by statist development assistance programs that center on an ever-expanding welfare state and redistribution.

Segerfeldt points out, for example, in 1962, GDP per capita in East Asia and in sub-Saharan Africa was roughly the same. By 2005, the poverty rate in East Asia had been dramatically reduced, while in sub-Saharan Africa it was more or less unchanged. The difference? China, South Korea, the so-called Asia Tigers, other countries in East Asia generally did not follow the western development assistance model. They preferred to stimulate growth through investment and export. Meanwhile, countries in the sub-Saharan Africa have become increasingly dependent on ODA.

Development assistance proponents push the MDGs, and they downplay extensive evidence that growth, not aid, provides the exit from the poverty trap. For evidence, look no further than the U.N. Millennium Declaration, which the U.N. Development Programme purports to be the gold standard of development assistance policy prescriptions. It does not contain a single reference to economic growth.

Only fundamental changes in a country's culture and political philosophy by its own citizens can accomplish these necessary changes. It is not just formal institutions of a government in developing countries but the informal customs governing day-to-day business transactions that must be reformed. And that can only by accomplished by people living there. The U.S. taxpayers should not be put on the hook for that.

If a country's culture and practices are steeped in corruption and cronyism, no amount of aid will overcome it. In fact, ODA actually degrades these formal and informal institutions the longer it exists, because it tends to perpetuate corrupt regimes that can hang on to power by using the assistance flows.

It is instructive to look at the countries where the Millennium Development Goals have actually been realized most fully in the history of the world, and that would be in the developed countries with high levels of economic freedom and low levels of corruption.

And, of course, as you mentioned, Mr. Chairman, I work on the "Index of Economic Freedom," which annually analyzes these core principles: Rule of law, secure property rights, limited government, taxes as low as possible, efforts to encourage and bolster free markets, entrepreneurship, democratic governance, political stability, and the resulting prosperity. According to our index, countries with greater improvements in economic freedom achieve much higher reductions in poverty.

As you mentioned, Mr. Chairman, the deficit is a major concern. And no one is going to be deluded into thinking that even if the entire U.S. foreign assistance budget were eliminated—and I don't recommend that—it would not solve our deficit problem. But most of it should be eliminated, on principle. I would make an exception, certainly, for direct, short-term U.S. national security goals that should be tackled by joint U.S. military and civilian agency teams. But, other than that, and there may be a few other exceptions, I think, actually, that development assistance policies have been a block to growth and to lifting people out of poverty.

The best thing the United States can do right now to help the developing world is to get its own financial house in order and regain its status as a role model for developing countries. Take the lead among OECD countries to end ineffective ODA programs. In-

stead, encourage more trade and investment, for example, by approving the pending free trade agreements with Panama, Colombia, and South Korea, and negotiating more.

That will make more capital available to the private sector and spur a renewed level of economic growth in the U.S. and globally. That is the best model for sustainable development: Through economic growth.

Thank you very much.

[The prepared statement of Mr. Roberts follows:]

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CONGRESSIONAL TESTIMONY

Congress Should Reduce the Deficit—Not Increase Funding from American Taxpayers for UN-Designed Foreign Aid Programs That Will Not Work

Testimony before the
Subcommittee on International Organizations, Human Rights and Oversight
Committee on Foreign Affairs
Room 2172, Rayburn House Office Building
U.S. House of Representatives
Washington, D.C.

July 27, 2010
by

James M. Roberts
Research Fellow for Economic Freedom and Growth
Center for International Trade and Economics
The Heritage Foundation

My name is Jim Roberts. I am the Research Fellow for Economic Freedom and Growth in the Center for International Trade and Economics at The Heritage Foundation. Prior to joining Heritage in 2007, I served for 25 years as a Foreign Service Officer with the U.S. Department of State and worked on a variety of development assistance issues in a number of developing countries. The views I express in this testimony are my own, and should not be construed as representing any official position of The Heritage Foundation.

Congress should reject approval of future taxpayer-funded U.S. Government official development assistance (ODA) programs that are designed to achieve the UN's Millennium Development Goals (MDGs). I should note at the outset that I do not include emergency and humanitarian assistance in my critique of ODA, such as when the United States responds to earthquakes, floods, and other natural disasters by sending help to victims around the world.

The Declaration adopted at the UN Millennium Summit in 2000 addressed a wide range of problems related to peace, security, and development. No one disputes the desirability of

reducing poverty, hunger and infant mortality, increasing access to safe drinking water, improving education, reversing the spread of HIV/AIDS, or protecting the environment. There is significant disagreement, however, about the proper methodology to achieve those goals.

The familiar call for the U.S. and other Organisation for Economic Cooperation and Development (OECD) member countries to commit 0.7% of gross domestic product (GDP) as official development assistance, first made nearly 40 years ago in a General Assembly resolution and reaffirmed many times since, has been repeated so often that people have forgotten that there is no verifiable evidence that ODA is effective—in any amount.

In my opinion, these UN development assistance programs will fail to achieve their objectives. If Congress continues to fund them, the only certainty is that they will further enrich corrupt elites in developing countries and they will provide continuing employment for the cadre of development assistance bureaucrats and other professionals who are advancing them.

Increasingly experts in the developing world such as Dambisa Moyo of Zambia, author of *Dead Aid: Why Aid is Not Working and How There is a Better Way for Africa*, are voicing opposition to ODA. They know from firsthand experience that 50+ years of foreign aid from developed countries to Africa and elsewhere in the developing world has strengthened corrupt elites, encouraged a morally corrosive culture of corruption, discouraged private foreign and domestic investment, and actually caused poverty rates to rise due to higher levels of non-productive government spending and the welfare-dependency mindset it encourages.

One has only to drive 50 or so miles beyond the Beltway in any direction to see that the massive government "stimulus" spending in the U.S. in recent years, while a boon to public sector unions, has utterly failed to help the average American to achieve his or her own set of "MDGs" (and the U.S. is one of the most economically free nations on earth). So why should anyone expect USG deficit-financed development assistance programs that emphasize welfare-state redistribution solutions to be any more successful in other countries?

This is especially true at a time of unthinkably large U.S. deficits. Analysts at The Heritage Foundation recently reported that the Obama Administration's "FY 2010 Mid-Year Review" projects this year's budget deficit at $1.471 trillion, or 10% of the entire U.S. economy. That is the largest nominal deficit in American history and, as a percentage of the economy, it's the largest deficit since World War II. By 2020 the President's budget includes deficits that never fall below $698 billion and leaves our children with $18.5 trillion in debt.

As Swedish development economist Fredrik Segerfeldt argues in a forthcoming book entitled "First, Do No Harm" on the failure of foreign aid to lift people out of poverty over the last 50 years, despite decades of efforts and the expenditure of $1.65 trillion dollars by OECD donor countries, the problems in those countries simply cannot be solved by foreign aid. Only economic growth can rescue the poor and extremely poor, and that growth cannot be generated by statist development assistance programs that center on an ever-expanding welfare state and redistribution schemes.

Segerfeldt points out that in 1962 the GDP per capita in East Asia and Sub-Saharan Africa was roughly the same. By 2005, the poverty rate in East Asia had been dramatically reduced while in Sub-Saharan Africa it was more or less unchanged. The difference? China, South Korea, the so-called Asian Tigers, and other countries in East Asia generally did not follow the Western development assistance model, preferring to stimulate growth through investing and exporting. Meanwhile countries in Sub-Saharan Africa became increasingly dependent for larger and larger shares of their GDP on ODA flows from OECD donor countries.

The development assistance lobby in OECD countries, however, pushes the MDGs and downplays extensive evidence that growth, not aid, provides the exit from the poverty trap. For evidence, look no further than the UN Millennium Declaration, which the UN Development Programme purports to be the gold standard of development assistance policy prescriptions. It does not contain a single reference to economic growth. That absence is all the more remarkable given that the stated top priority of ODA is poverty reduction. Yet without economic growth, countries will lack the resources necessary to improve the lives of their citizens.

The MDGs are designed in part to build better institutions and, indeed, they are the key. But they cannot be fixed with a few good governance and anti-corruption programs administered by expatriate development professionals. Only fundamental changes in a country's culture and political philosophy by its own citizens can accomplish the necessary changes.

It is not just the formal institutions of a government in developing countries, but the informal customs governing day-to-day business transactions, that must be reformed. And that can be accomplished only by the people living there. If a country's culture and practices and steeped in corruption, no amount of aid will overcome it. In fact, as Segerfeldt notes, official development assistance over a long period actually degrades these formal and informal institutions, allowing corrupt regimes to hang onto power for long periods through manipulation, military intimidation, patronage, and pay-offs.

It seems that around the world more decisions are made by government leaders to insinuate themselves and their bureaucracies as a partner, financier, or outright owner of formerly private corporations and enterprises, sometimes in joint ventures with labor unions. Often this insidious and growing "crony capitalism" is patterned after European corporatist-style industrial policies, hailed by their statist supporters as the "public–private" wave of the future. Yet these public-private partnerships are generally counterproductive. Despite their high-minded titles under the rubric of "Corporate Social Responsibility" they often end up nourishing a culture of cronyism.

It is instructive to study the countries where the MDGs have actually been realized most fully in the history of the world—the developed countries with high levels of economic freedom and low levels of corruption. Why? Because those countries have the cultural and political institutions necessary for success that enshrine rule of law, secure private property rights, limit government, and keep taxes as low as possible. These are the policies and practices by which countries can bolster free markets and entrepreneurship, democratic governance, political stability, and prosperity.

According to The Heritage Foundation/*Wall Street Journal's* 2010 *Index of Economic Freedom*, the countries with greater improvements in economic freedom achieved much higher reductions in poverty.

Although the current and requested level of U.S. ODA is vastly more than it should be, the reality is that cutting $30 or $40 or $50 billion in foreign aid spending from the federal budget would not do much to reduce the U.S. deficit. But it should be done, since it is one of thousands of budget cuts that will be required to restore our country to long-term financial health. In my view, the only role for official U.S. Government assistance should be "One Government" programs to achieve short-term U.S. national security objectives that are designed and implemented by fully integrated U.S. military and civilian agency teams.

And what of the $100+ billion per year in total ODA from developed countries? It is a paltry sum compared to the annual level of remittances, private capital investment, and trade flows in a world economy that is increasingly market-oriented and globalized. These private flows are the real source of economic growth and development. So I urge that ODA from all OECD countries be ended, too. Because ODA is not solving the problem of poverty in the world—it is actually blocking the long-term resolution of that problem.

The best thing the United States could do to help the developing world today would be to get its own financial house in order and regain its status as a role model for developing countries. Take the lead among OECD countries to end ineffective ODA programs. Instead, encourage more trade and investment, for example by approving pending Free Trade Agreements and negotiating more.

Drastic cuts must be made to government spending at all levels in the U.S. in order eventually to reduce deficits to zero, thereby making more capital available to the private sector and spurring a renewed level of economic growth in the U.S. and globally. The U.S. has been the largest source of foreign direct investment in developing countries and the largest recipient of developing country exports. That is the best model for sustainable development—through economic growth.

Thank you very much and I look forward to your questions.

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Mr. CARNAHAN. Thank you.

I appreciate our panel and all of your diverse backgrounds and opinions. I think we have covered a lot here.

But I am going to start with recognizing myself for 5 minutes of questions. And I want to start out asking each of you, as has been mentioned in various forums, about the security and economic connection to these goals. And I know you quoted Secretary Gates, but I would like each of you to talk about that and also the third component, how this helps leverage other aid.

I also like the comment that was made that this was too big for any one group to do on its own. I think that is an important theme here.

But if you could each address that, and I will start with Ms. Calvin.

Ms. CALVIN. Thank you.

I believe Secretary Gates had it exactly right when he made that critical connection between ensuring that there are peaceful and conflict-free areas in the world where we can help nations grow to their full potential and their citizens live to their full potential and to become eventually some customers and clients of U.S. companies.

But I think the most important thing here is the recognition that people around the world are all of equal value and that we need to address that basic core instinct that Americans have. Once we make a nation have access to the health and other benefits that we are talking about here, we know that we can encourage the keeping of girls and other young people in school, which leads to long-term security and stability in a country. A lot of the work that the U.S. ODA is already doing is in the area of democracy-building and rule of law, and we know that those two things then work hand in hand.

And it is important to recognize that so much of ODA is currently not even in the areas that my colleagues have talked about. Even though it has been increased in recent years around AIDS treatment and other areas, it has been a full panoply of supporting the economic growth of these countries in lots of different ways. And the most important way we can help a country grow economically is to make sure that its citizens are educated and have health.

Mr. CARNAHAN. Dr. McArthur?

Mr. MCARTHUR. Thank you, Mr. Chairman. These are terrific questions. And I would just start by saying that I think official development assistance and aid often is very broadly misunderstood as a charitable endeavor. There certainly are humanitarian emergencies which require that form of logic, but what we are really talking about here is investments, and investments in very specific and practical programs and targets.

If we even look at the challenge of economic growth for the poorest countries and communities in the world, the majority of them are farmers. Economic growth to a farmer means growing a better crop, literally. And so, when we are talking about agriculture, for example, and support for agriculture, that has a double dividend of both tackling hunger and promoting economic growth.

Now, Malawi is a very important example. Malawi supported, with international—the President, Mutharika, put forward a program to make sure that every small farmer in Malawi got access to a bag of fertilizer and a can of seeds. You couldn't think of anything more simple and straightforward. This was only made possible because of international support. That program then doubled the country's food production, and, in 2008, when the global economy was imploding, Malawi grew at 9 percent.

So the economic dividend is very important. And the fact that agriculture has basically missing from the international agenda for a generation is, in my view, one of the deepest reasons why we haven't seen more direct links between foreign aid and growth.

Now, we certainly need the longer-term support for education and health, as well, which will undoubtedly affect growth in the medium and longer term where the programs are successful, because children that survive and are better educated will be very active economic players. And even higher child survival is linked to lower fertility rates, which is part of managing a demographic transition where we have the fastest-growing populations in the poorest countries. The greatest, you know, risks of instability are also in those poor countries. And we don't just have to think about these countries as islands because they are very much part of the connected world.

Now, if we look at the evidence, which is quite strong and in the top journals, the risk of conflict, civil conflict, is much higher at lower levels of income per capita. Many of the places that we read about in the newspaper every day, which are our direct security interests, also happen to be those places.

There is an extra overlay, which is the climate issue. The top research now shows that risk of climate, whether it is temperature, whether it is rainfall variation, especially in Africa, is directly linked statistically to the onset of conflict and domestic conflict. And the logic is quite straightforward: When the rains fail or the temperature is too high, the crops fail, and hungry people are ultimately more likely to fight. And we have a whole drylands issue throughout the Sahel, where these are also the hot-button security places that we are worried about on all sides of our foreign policy.

So we need to understand that there is a direct effect on health and delivery targets and education and infrastructure. We also need to understand that aid can go, and must go, directly to supporting the productive sectors. And that won't just help these countries escape from aid and graduate from the need for support, but will also help them develop the robust, kind of economic and social capacity that will really be in our global long-term interest for stability.

Mr. CARNAHAN. Thank you.

Dr. Ratzan?

Mr. RATZAN. Thank you, Mr. Chairman.

I think that is an excellent question that leads to what we encompass under global health diplomacy, notwithstanding the ideas of health as a bridge to peace, health with conflict resolution, but the idea that health investments are investments in wealth and economic wellbeing.

And there are basically three areas where I think this makes the largest and best example: One is infectious disease, which has no borders; second, chronic disease, which continues to be a threat; and, thirdly, as you mentioned, mothers' education, or as we link it even more with health literacy in general.

We looked at last year's risk report, which is done annually with the World Economic Forum that goes to both private-sector groups as well as governments and throughout the world. And if you look at the risk report, it puts on one axis the potential or the likeliness of something to occur and on the other axis the threat that it is to society with economic wellbeing.

And what is highest on that list are three health-related areas: Chronic disease, pandemics, and some of the threats that Dr. McArthur mentioned related to climate change. It is higher than some of the economic collapse items that are there, yet the world does not invest the same in the fundamentals of health and economic wellbeing to help prevent those risks.

So what we are trying to do is integrate some of the activities that I mentioned. With tuberculosis, we cannot do this alone. Multiple-drug-resistant tuberculosis could come into the United States. It could threaten the world in a broader way. In areas that we have heard in the past of extremely drug-resistant tuberculosis, that has been a threat for communicable disease.

Chronic disease, mostly, at this juncture, it tends to be diabetes, but notwithstanding tobacco use and the Framework Convention on Tobacco Control, another piece that was heralded by both the United Nations and World Health Organization, with their authority, where also countries could help make a difference in preventing cancer and prevent treatment for mortality, morbidity related to tobacco.

And then thirdly, health literacy. United Nations resolution last year relating to health literacy can make a major difference in better health outcomes; has spearheaded efforts in China, with 66 indicators for health literacy; the United States national action plan, eight member states in Europe and other countries that are looking at ways that if we just educate and give people the knowledge and the skills and simplify the demands and complexity of the system, we can also have better health outcomes and better economic wellbeing.

So those are the three areas that I think could help make a difference and really do link the overall security and economic connection to the MDGs.

Mr. CARNAHAN. Okay.

And Mr. Roberts?

Mr. ROBERTS. Thank you.

Since the end of the World War II, really the best ally and friend of people all over the world has been a strong United States—strong economically, diplomatically, and militarily. The United States has kept the air and sea lanes open, which has spurred globalization. And that globalization, that investment in trade, has been what has really helped people and lifted them out of poverty. And it has been hundreds of millions of people, as I am sure no one would disagree with. And those flows, the investment in trade flows dwarf a combined ODA of the whole world, as you also know.

But the biggest threat right now to the United States' national security are the deficits in this country that could lead to our financial ruin. Cutting ODA will be only one of probably thousands of budget and spending cuts, difficult and painful, that Congress will likely have to confront in order to restore U.S. economic prosperity.

Thank you.

Mr. CARNAHAN. Thank you.

Now I would like to recognize our ranking member, Mr. Rohrabacher.

Mr. ROHRABACHER. Thank you, Mr. Chairman.

How much is it that you think that we should be spending that we are not spending?

I mean, Dr. McArthur, you were relatively hard on your country here, in terms of "We are not doing our"—so what level of spending are we at now, and what would you want us to spend at?

Mr. MCARTHUR. The international commitment is to 0.7 percent.

Mr. ROHRABACHER. No, no, no, no, the actual amount. I mean, I am not talking about—I understand it is a percentage of your economy. No. How much do we spend now? How much do you want us to spend?

Mr. MCARTHUR. Right. So the numbers would be—current development assistance is on the order of $30 billion. I can get the specifics.

Mr. ROHRABACHER. Okay. So, currently, we spend $30 billion.

Mr. MCARTHUR. Right.

Mr. ROHRABACHER. And you would want us to spend?

Mr. MCARTHUR. It would be closer to $100 billion.

Mr. ROHRABACHER. Closer to $100 billion. Okay.

And when you are talking about our contribution to the world, you are not including some of the things Mr. Roberts was alluding to, that we send our military forces throughout the world in order to prevent conflicts from overwhelming regions.

Mr. MCARTHUR. I should clarify, those are——

Mr. ROHRABACHER. Because we spent $1 trillion in Iraq.

Mr. MCARTHUR. Right.

Mr. ROHRABACHER. Okay. And we are spending, you know, hundreds of billions of dollars in Afghanistan. And you don't count that, really, as a contribution. You think it has to be in the form of grain seed.

Mr. MCARTHUR. That is not what I said, Congressman, excuse me.

Mr. ROHRABACHER. Okay.

Mr. MCARTHUR. Just to clarify, I think we are talking about complementary strategies. And so that is why I think the testimony of Secretary Gates is so important, because we are talking about both security and development and development for security. The reality is that there is about a 30:1 ratio of the military expenditures to the development expenditures.

No one is questioning the importance of the defense spending; far from it. What we are talking about——

Mr. ROHRABACHER. Yeah. I read Secretary Gates's remarks, and let me just note, it does exemplify the difference in approach that people, honest people, have——

Mr. MCARTHUR. Right.

Mr. ROHRABACHER [continuing]. In terms of how to find prosperity and peace in the world.

I think that Secretary Gates does not fully and other people have not fully understood that Adolph Hitler came from a developed country, the communists who were in power generally came from upper-middle-income families and upper-income families, and the radical Islamic movement today is not fed on poverty but instead on fanaticism that is being financed by some of the wealthiest groups of people on the planet. And so I would disagree with him that poverty leads to this type of national security challenges that we face today.

Now, we can still believe that it is the humanitarian responsibility of people who have been blessed to live in free societies and have prosperity to help those in less free societies. I disagree with them as that is a strategy for a more peaceful world.

Let me just go back—and, with all due respect, Doctor, the idea that you presented, this image of, well, what they really need is a sack of fertilizer, is probably the most naive approach that leads to the waste of huge amounts of money that should be going to improve people's lives.

Frankly, that a sack of fertilizer in most of these developing countries will lead—even if it leads to a little bit more production by that farmer, no, it is not growing a better crop. It happens to be also that people are taking bribes and demanding bribes from that farmer; the people who are stealing from that farmer legally and illegally; the lack of transportation because the money in that country, instead of going to transportation, has gone into the pockets of corrupt officials; the fact that they don't have clean water because those same corrupt officials have pocketed that money. No, it is not a sack of fertilizer.

And until we begin realizing that those type of problems, which Mr. Robertsoutlined, those things have more to do with the poverty than does the lack of sack of fertilizer. And from $30 billion to $100 billion may provide more fertilizer for those farmers at our expense, at the expense of our kids here—we are going to borrow that extra $70 billion, we are going to borrow it from China in order to help these people. And I would submit to you that that will not improve the life of those people that you are intending it to and will actually bring down the quality of life of our own people.

Let me ask you this. About the people who run these programs, we are talking about—by the way, let me congratulate anybody around the world, anybody personally and anyone here domestically, who is engaged in helping other people with their own resources. And George Soros is a mixed bag. I mean, George Soros manipulated the currency in various developing countries, impoverishing certain people in those countries, but at the same time he has been a great contributor to various humanitarian causes. And I realize there is—when you are talking about him, but Ted Turner has done some wonderful things. The Bill Gates Foundation has done some wonderful things. We applaud their activity, especially if they are doing it unilaterally, on their own, going out and trying to make their money count.

But when we are talking about these joint programs, how much money goes into administration? For example, someone who runs

some of the programs that you are talking about, do they make more money than a congressman makes? How much money do they make? Do they make over $100,000 a year? Should we set a cap on any organization that we are in a partnership with that they won't be paying their executives a certain amount of money?

So what about the pay level of the people who may just be sucking off that money that should be going into fertilizer for that farmer in Africa?

Mr. MCARTHUR. I am very glad you raised these points, so thank you.

And I would say, first of all, no one is advocating money for process, and no one is advocating a penny go to corruption. And that has to be very clear. This is about results and direct, auditable, monitorable, deliverable targets that you can do a spot-check on to make sure it is happening where it should.

That has been the great success, I would say, of the President's Emergency Program for AIDS Relief, which the Congress had played such a crucial role on, as it was about actually making sure that those people get the antiretroviral medicines. And this was deemed, less than a decade ago, as you know, I am sure, much better than me, impossible. And now we have 5 million people on AIDS treatment, thanks to a breakthrough program where it was about auditable results and delivery metrics.

For fertilizer and so forth, I actually, with utmost respect, have a different read on history, where throughout Asia, going back to Korea in the 1930s, Taiwan in the 1920s, India and Pakistan in the 1960s, every single case of economic takeoff that wasn't about discovering a mine was linked to strong public support, public investments in agriculture, in smallholder agriculture.

Norman Borlaug, the Nobel laureate who won the Presidential Medal of Freedom, was the great leader, with M.S. Swaminathan, around India at making sure, literally, that farmers got fertilizer and seed. Literally, that was the program. So, with utmost respect, I don't think it is a naive view; I believe it is a practical view, linked to actually what is the monitorable, auditable program delivery target. And, in Malawi, the government has used a voucher system, with even biometrics in place, to make sure this is an efficient system. And that has been a breakthrough in a country that was previously considered the perfect storm of disasters.

So I think we need to have a very hardheaded approach. And, with full candor, I used to write the Global Competitiveness Report, I am a macroeconomist, I believe in economic growth as much as anyone. But what I am supporting is a view that thinks through: What are the investments required to support robust, long-term economic growth in the poorest countries while solving the practical problems?

I believe that we have to be focusing on programs first, direct commodities. We have to be using local staff. This is not about armies of aid workers going from the rich countries; this is about local programs. In the Millennium Village project, all of these staff in Africa are African. And that is a very crucial component of our work, because there is so much expertise that just needs to be empowered by tools.

I was in Tanzania a few weeks ago, and I was with a farmer who had 6 years of primary school education, who was a community health worker, with a cell phone treating malaria in front of my eyes with new technologies. This is something that would never have been possible if it weren't for the Presidential Malaria Initiative or The Global Fund to make malaria treatment possible.

Mr. ROHRABACHER. Thank you very much. I think my time has about expired. But let me note that we still have a disagreement, but it was a good comeback.

Mr. MCARTHUR. Thank you.

Mr. ROHRABACHER. And I will also note that malaria—I mean, what has been said about malaria today, it hasn't escaped many of us that when you get involved with these global projects and government programs, that the politically correct attitudes on things tend to take hold. And many of us believe that the malaria epidemic that we are facing now can be traced right back to the politically correct science of eliminating DDT, which, once it was eliminated by people who have these politically correct notions, we saw a massive increase in the death of children in Africa.

And so we are talking about millions of children here who have lost their lives by people who, of course, are part of this very benevolent approach but mindset, liberal mindset, that has outlawed DDT in order to protect the thickness of bird shells—yes.

Thank you very much.

Mr. CARNAHAN. I certainly enjoy the debate and discussion and give-and-take of this committee. I thank the gentleman and thank our witnesses.

I want to talk about a success that has been mentioned here with regard to the Global Polio Eradication Initiative and the work that has been done with Rotary International, WHO, CDC, and UNICEF.

If you can comment on the success of that program that has seen polio plummet 99 percent since 1988 and what is needed to make that final push in the four remaining endemic countries—Afghanistan, India, Nigeria, Pakistan. And, finally, what lessons can we learn from that program that we can apply to some of these others that are just really getting started?

And I am going to reverse the order this time and start with Mr. Roberts.

Mr. ROBERTS. I would have to do some research on some of the specifics. I would refer the committee to the many scholarly works of Professor William Easterly at NYU, who is probably one of the best, most solid, robust economists who has written critically about these issues.

I would also note just in passing that the PEPFAR is a good example of a program that worked well. And I think it did because it was private money and it was private corporate management methods that were brought into the government and it was fenced off from the rest of the government. And I think that that is—it was a good example of a program that worked. Although, as I have mentioned in my testimony, we have to make very difficult choices because of the budgetary reality we face.

Thank you, sir.

Mr. CARNAHAN. Thank you.

Dr. Ratzan?

Mr. RATZAN. Thank you, Mr. Chairman. That is a very important question and something that, unfortunately, we have been unable to end polio in the last century.

And, ironically, I also edit the Journal of Health Communication, and we just did a whole supplement——

Mr. CARNAHAN. Is there anything you don't do?

Mr. RATZAN. Thanks. We did a whole supplement with USAID and George Washington University Global Health on polio communication and what are the final challenges, to answer that question directly.

And I can't summarize the hundred pages from experts in a peer-reviewed publication. But what I can say is that some of the fundamental areas that would help make a difference would be better communication—and, most particularly, this is political-level communication—to get the leadership and community-based leaders able to understand the value of the polio vaccination. And that has been a very large challenge, not only with the anti-vaccine lobby, frankly, here in the United States, but really globally, the whole idea of vaccines making a difference in the challenge are continuing to be not only for polio but for other vaccine-preventible illnesses.

And then finally I think—and I do believe that the work at USAID and others have been quite successful in working in this public-private partnership. But we need to continue to support to end polio. And part of that, again, is both political communication as well as efforts on the ground with community-based efforts.

Mr. CARNAHAN. Thank you.

Dr. McArthur?

Mr. MCARTHUR. I am not an expert on polio, but I can say, the general lesson on that program and others is that you have a few basic steps that come together. One is you have implementation of known technologies. The vaccine is very important. Two is you have developing-country-driven national implementation strategies. That developing-country ownership is central—and accountability.

Third is that you have those national strategies regularly and rigorously evaluated through independent technical review. Fourth is that those programs are driven by a clear emphasis on performance metrics, so there are delivery targets that everyone is accountable for.

And then, fifth, they have adequate finance through, in this instance, a blend of public and private sectors. But we can't expect these programs to be implemented in the absence of adequate finance. And so the dollars are not about throwing dollars; they are about funding very practical mechanisms.

Mr. CARNAHAN. Ms. Calvin?

Ms. CALVIN. I would be happy to add a few lessons.

The U.N. Foundation has been involved in the fight against polio since its inception. But, you know, really, the Rotary International deserves the largest credit here for jumping on this in 1988 with the World Health Organization.

I would say the most important thing that was done initially was that a goal was set and that the world rallied around it, following on the success of smallpox elimination, which, prior to polio, was

the only major disease ever eliminated in the United States, in the world.

Second, an infrastructure was built that we have since built upon to eliminate measles and other diseases, and to build a health systems infrastructure that now works in the countries where polio is done.

And third, because it was public and private, Rotary showed it is not just the money that they could raise in this country and around the world—and they have raised over $600 million—but it is that they use their volunteers around the world to help deliver the vaccine. And that made a huge difference.

The hurdles have been cultural. At some point, if someone went to the annual pilgrimage and exposed others at the Hajj to polio, and Saudi Arabia responded by having a rule now that you can't come to the Hajj unless you have had polio vaccination. And they have stepped up to help eliminate it in the Muslim areas where it has been endemic. We need every country to realize how important it is that we reach this goal. And we see that, in the countries where it is still endemic, which tend to have largely Muslim populations, the religious leaders have been both initially the problem and now are helping us get to that final stage.

We think we will get there. It has taken also some efforts to refresh the campaign. And the Gates Foundation most recently stepped in to really make this a major effort and initiative of theirs, making this point that the public-private partnership is what really multiplies the impact of U.S. money.

And the U.S. has been the biggest donor in this space, and I would say this is an investment well worth making.

Mr. CARNAHAN. Thank you.

Mr. Rohrabacher?

Mr. ROHRABACHER. I didn't quite get the—we covered some of the other areas of my question, so I didn't quite get to the salaries of people.

Should we have a cap on salaries for people? But private institutions, if they want to pay their people $250,000, $300,000 a year, that is their business, as long as they are doing that independently of government. But if you have an institution that is in partnership with government, should we not have a cap on salaries for these charitable institutions so that the people there are not making more than their counterparts in government?

Ms. CALVIN. Well, I don't believe in a cap, myself. I believe in disclosure, I believe in measurement and accountability, and I believe in reform.

And I think part of what USAID should be all about is making sure that our investments around the world are done in the best possible fashion. I think it is important that we are doing the Foreign Assistance Act to look at that. I don't think a cap is necessarily the right solution in every case, because I don't even know how you would pick it.

Mr. ROHRABACHER. Okay, so you don't believe that we should have a—if the government is going to go into a partnership with a private organization, that we should require that that private organization does not consume its resources on salaries for its top ex-

ecutives at a level that is higher than what you find in the government.

Ms. CALVIN. Oh, I agree with what you are saying. I just don't know if a cap is the right answer to that. I think that absolutely should be one of the judgment measurements.

Mr. ROHRABACHER. So you are against that.

Dr. McArthur?

Mr. MCARTHUR. Are you referring to organizations in the advanced countries or in the local economy?

Mr. ROHRABACHER. I am talking about people where we have been talking about partnerships between private groups and government, at our level and at international level. Should there be a cap on the pay levels of those private organizations if, indeed, they are going into this partnership?

And, by the way, if they aren't in a partnership, they can pay whatever they darn well want. But if we are talking about partnership here today, if that is what you are advocating, would you advocate that we put a cap on the salaries of those top people in those organizations so that they aren't making more money than their government counterparts?

Mr. MCARTHUR. It is a question I don't have a specific answer to. I would say——

Mr. ROHRABACHER. Your answer is no. If you don't have a specific answer, it is no. Because this is a policy, and so, if you are not for it, that means you are not for the policy.

Mr. MCARTHUR. Well, I would be happy to follow up with you on it to think through all the mechanics of what it could include, because I think it is a very important question. I have spent a lot of time thinking about what different salary scales could look like based on value for money. And whether it is hiring a community health worker who is a farmer part-time in a village, whether it is a Ph.D. working in rural Africa who is a local African Ph.D.——

Mr. ROHRABACHER. I am actually talking more about your organizations, not the guys down in Africa. I am saying, should people who work for—if the Turner Foundation and other groups that are in private sector here are going to be partners with the U.S. Government, should we expect that the money that they are consuming as part of that charitable operation not be consumed via top-level salaries as compared to—and the standard you would use would be their counterparts in the public sector.

Mr. MCARTHUR. Right. So I would say to that that any public funding that goes through a partner organization, it makes good sense to me that that be aligned with U.S. Government salary pay scales. If it is a privately funded organization where private supporters want to pay at their discretion——

Mr. ROHRABACHER. I understand. But you are——

Mr. MCARTHUR. I am dividing it. I am segmenting the problem.

Mr. ROHRABACHER. Yeah, yeah, right. The fact is that if you are in a partnership, you are—that the program—your programs are tied. And I am just saying, if you are going to tie your programs, should we not also tie how much money is being consumed for upper-level salaries?

Doctor, what would you say?

And by the way, let me just note, I commended the Turner Foundation and others. I forgot to say Johnson and Johnson Foundation. Because you guys are doing terrific work, and you can be proud of the good things that your company and the foundation of Johnson and Johnson has been doing. You have expressed that today, and we have heard that, and that is wonderful. So, pardon me for not adding you on the list of people to commend.

Mr. RATZAN. Thank you very much, Congressman Rohrabacher.

In response to your question, I think we have to look at this very broad issue of how health care and health services are delivered throughout the world. And, frankly, a lot of it is delivered through the private sector. So the partnership might be, in some cases, public funding and private-sector delivery; other cases, it is private-sector funding and then public-sector interventions and research and so forth.

So there is no one solution that exists. And we are always seeking out the best-quality people and resources throughout the world. And, with that, you know, free-market activities clearly are in place.

Mr. ROHRABACHER. So let's get down to the basic question. If you are in a partnership, if you have a private foundation or whatever it is in partnership, as we are advocating today, as a joint effort with government, should the government put a cap in saying, "We are not going to be in partnership with a charitable organization that pays its top-level executives more than their government counterparts"?

Mr. RATZAN. We don't get into the governance nor a litmus test of partnerships based upon funding at that level, so we would not advocate for that.

Mr. ROHRABACHER. Okay. But we do actually take a look. The government does say, "Well, here is a foundation that is spending 90 percent of its money" or 75 percent or whatever, "they are consuming it among their own executives; thus, we are not going to get in a partnership with them," I am sure that happens. So that has been a no, as well.

Now, Mr. Roberts.

Mr. ROBERTS. Well, Congressman, it might not come as a surprise to you that I would say, yes, that they would have to be bound. And I think your point—and I am sure you know this better than I—that what you are illustrating is a larger problem and real threat and danger, and that is of a creeping cronyism, of a state corporatism that we are seeing with these public-private ideas, a corporate social responsibility. It is really the government trying to take over, in a sense, these assets that are privately held that belong to shareholders.

And so, of course, we oppose that at Heritage, as you would——

Mr. ROHRABACHER. Okay. Let me just note, and I know my time has been used up here, but just a little story that really indicates why I think this thing.

Years ago, when I was 19, I spent some time with some projects in Vietnam. And it was a long time ago, different life. And I had been up in the central highlands, and I was really, you know, just a long way from home. And I was taking a flight to Bangkok, and I met a guy on the airplane, and he said, "Hey, where are you com-

ing from?" And I told him I was up there with the Montagnards and all this stuff, and he said, "Well, you know, my wife"—he is American. He said, "My wife actually can cook a great American meal. Would you like to come over for some meatloaf at my house?" Oh, yes, that is terrific, okay, I would love to have it.

So I went over to—this guy was the head of UNICEF, I think it was, okay, in Bangkok. So I said, "Well, we will catch a cab," and he said, "Oh, no, no, no, I have a car." Oh, he had a car. He had a car, he had a driver, and it was a big car. So we got in the car, and we went to his—not his little house—his huge house with the fence around it and the servants.

And then—look, I am sure he is a wonderful guy. And the money that was going for these children's activities in Thailand, I am sure he took his job seriously. But he was consuming a lot of that money himself. And he had a driver, he had a doorman, he had a cook, he had a housekeeper, he had a big house.

And when we went in, in the middle of the meal, he says, "You know, how would you guys like some good whiskey?" I said, well, all right. You know, I had been drinking this rice wine they have up where the Montagnards—in the central highlands. So, yeah, good whiskey, all right.

He says, "Come with me." And he grabbed me by the arm, and we went out into the garage. And there were all these cases in the garage. And they were these boxes, these boxes made out of wood, and they had "children's books," "UNICEF children's books," on the side of it. And he grabbed one, said, "Help me down with this." And he opened it up, and it was filled with whiskey.

Now, all I am saying is that, you know, if we don't watch out, the people who are actually running the programs in a lot of these areas, what we have found is that a lot of the times people come in and they say, "Well, we spent this much money in this area," it has really been consumed by the management of the organization. And you have to pay attention to that.

If we really are serious and we want to help people, you can't just sit here and say, "We really have to raise the money from $30 billion to $100 billion." That may not make any impact at all, except at the debt level of these young people who are in the audience.

And we have to have the courage to look at things and especially have the courage to say, yeah, I don't think we should pay people—if this is going to be a charitable operation, those involved should be contributing to that charitable operation by actually receiving less pay than they would if they went into another endeavor. That is their contribution.

Thank you, Mr. Chairman.

Mr. CARNAHAN. Thank you.

And I want to go on to another tack. And I guess I would like to ask the witnesses: With the 5 years left to achieve the MDGs, certainly we can all make the case that all of them are critically important. But given our limited time and limited resources, I would like to ask you to prioritize what you think would be the most critical and the most achievable in these remaining 5 years.

Ms. Calvin, let's start with you.

Ms. CALVIN. Well, I will pick up on the last conversation to say, not only do we need more money for all of this work, but we need to get more for our money. So, more health for the money I think is the mission and the goal for the next 5 years.

Vaccine interventions are probably going to be one of the most important pieces of that. We know that with vaccine interventions we can prevent 8 million more deaths between now and 2020. So, anything we can do to encourage the research and development, distribution, and uptake on vaccinations and immunizations around the world is critical.

Second, I would say a focus on women and girls—which, Mr. Chairman, I know you did a hearing on this just a few weeks ago—is essential. I think we have all learned that if you can keep a girl in school, if you can prevent her from marrying too early, if you can give her the opportunity to structure and create her own life, you have not only impacted her and her family but also her whole village. And so I think a whole focus and a lens looking at ensuring that women and girls, and particularly adolescent girls, are taken care of is essential.

Third, I think we need to look at all of the goals in an integrated fashion. The goals were set up as eight individual goals, but, to some degree, they work most effectively and countries and public-private partnerships will work most effectively if we can integrate our approaches and, again, get the most for our money.

Fourth, I would say technology and the use of new modern technologies, whether it is mobile phones or others, is essential. And we have been negligent, not using that and thinking that we needed investments financially. There are many innovative solutions that ought to be taken forward, and we would encourage that.

Finally, goal 8 is something that we don't talk about as often as we talk about 1 through 7, and that is the one that has to do with trade and debt. And I think it is as important for this country to focus on those issues and help other countries move forward economically if we can.

And fifth, I think, as Dr. McArthur said, the Millennium Development Goals are not just the U.N.'S goals, not just America's goals, they are everyone's goals. So, to the degree that there is an approach to these goals that everyone can adopt—and I think that is why we have young people sitting in this room; they understand that these are the goals that will affect their future—that is the way we need to approach it.

Thank you.

Mr. CARNAHAN. Dr. McArthur?

Mr. MCARTHUR. Thank you, Mr. Chairman. It is a great question.

I would just submit that we have to avoid false choices when thinking through the goals. Just like, in my view, we should not make false choices between development and security, we have to think of both together, we have to think of fiscal stability and investments for the medium and long term. The goals are holistic, not just as a package, but also because they are essentially for self-reinforcing activities.

So if you want to cut child mortality, clean drinking water is crucial. If you want to cut maternal mortality, girls' education is cru-

cial. And vice versa. So those are very much a package, which is why we have to be careful not to cherry-pick. I liken it to saying whether I want my heart, my lungs, my liver, or my brain. I actually think I need all of them to function as a human being. Economies and societies need health, education, food, infrastructure, and so forth.

So I think the holistic underpinning of the goals is essential. But back to Congressman Rohrabacher's point, I think the goal-based element is crucial. This isn't about anything other than delivery targets, in the end. And every resource allocation should be linked to outcomes through action areas. And I think that is exactly the perfect logic for this.

With all of those points in mind, if I were to pick the areas that I think could make the greatest breakthroughs in the next few years, remembering how many breakthroughs have happened in the past 10 years and 5 years that we all thought were—or many people thought were just too hard, I think in agriculture, again, this is an area where the world can make a tremendous breakthrough. Africa as a continent could basically double its food production within 5 years. This is an extraordinary biophysical reality that we have not yet got our heads around as a global community.

We could have, second, a major breakthrough, I would say, in health systems and maternal health and child health, not by paying high salaries to people from rich countries, but by training millions of community health workers with very basic skills—it is called "task shifting"—so that they can do the simple life-saving interventions, so that if that mother is about to deliver, they get to the clinic where that skilled birth attendant is. It is not just about the skilled birth attendant, but actually getting them to that skilled birth attendant if they are prepared to deliver at home.

And then a third thing I would stress is the girls' education, and really emphasizing secondary education, which has so many transformative effects for health, for economic growth, for broader economic activity in a society.

I don't want to say we don't need economic infrastructure, we don't need roads, we don't need ports, we don't need energy, because that is where the growth will come from. It will probably take a little longer for the international community to get its head around those systems that are needed—and also for water, which is technically probably the toughest problem because drinking water is only a small share of the uses of water. We are going have to have a lot better water systems for agriculture, for industrial use, and so forth.

But those would be my general recommendations on how to think through the breakthroughs that can happen in the next 5 years.

Mr. CARNAHAN. Thank you.

Dr. Ratzan?

Mr. RATZAN. Thank you for the opportunity on this regard of what can be done.

I think the previous witnesses have certainly talked about the holistic approach, and clearly that is necessary. And I know there is consideration with the Global Health Initiative of giving some flexibility for formation of public-private initiatives that could help

address some of the areas that are both health-related, education-related, environment-related, and so forth.

And when I look at the Millennium Development Goals, for example, Millennium Development Goal 1 on poverty and hunger, amongst that it has nutrition-related factors and deworming. Those, frankly, have not got the same level of partnerships as maybe infectious disease has in the past.

Millennium Development Goal 2 of course dealing with education, again, the idea of health literacy, the opportunity to empower women and mothers and fathers and so forth to have the information and skills to demand appropriate health services and to get the—whether it be clean water or transference and choice of vaccines and so forth.

Millennium Development 3, gender equality and empowerment—clearly, that is quite important. Also with health areas in terms of HIV and giving women the opportunity, not only with microbicides but others, of preventing mother-to-child transmission. Child mortality obviously is broad and obviously a big emphasis that we have.

HIV/AIDS, malaria, and other diseases, number six. I think we can make a difference in preventing mother-to-child transmission. And the charge that happened last week at the United Nations and WHO to eliminate this by 2015 is achievable if we put the right emphasis in funds and technical resources there, as well as helping foster the kind of research necessary for it.

Amongst that I think we need to presage the next phase, post-2015, when we will have new interventions for HIV, such as preexposure prophylaxis, preventing HIV not just by choice of behaviors but also by having technological and medical interventions with new medicines that could be delivered. And similarly with tuberculosis, of being able to shorten whether it be course of therapy or also the transmission thereof.

And then, finally, I think the last two, with whether it be environmental sustainability or trade and debt, these are very, very important, that we need to think about. That, again, infectious disease has no borders, and whether it be SARS, whether it be a swine or H1N1 or H5N1, whatever might be there, it is not if this happens, it is when it happens.

And these require fundamental health systems that are functioning and in place and something where, while the United States has fundamentally been leading this with the Centers for Disease Control and Prevention and our epidemiologic service and so forth, we nonetheless also have to have the kind of fundamental health diplomacy that is the holistic approach of being able to work with both governments, with public health authorities, community health leaders and others to address future health scourges.

So I would say, again, any investment in health is a wise investment. I think it will pay back not only United States but really, most importantly, the health of individuals and citizens throughout the world. And it is a positive opportunity to be able to speak and share this today. And hopefully we can continue to have this global investment.

Mr. CARNAHAN. Okay. Thank you.

Mr. Roberts?

Mr. ROBERTS. Thank you, Mr. Chairman.

I certainly don't want to minimize the suffering of the poor, but I do want to note that bureaucrats all over the world are always creating action-forcing—artificial action-forcing deadlines, such has this 5-year deadline. And I say that as a former bureaucrat myself. But I recall the Copenhagen climate change commitment and that deadline, with a drop-dead date last December. Well, all that went by the wayside when China and India refused to go along and, at the same time, the Climategate scandal broke.

And so, I think we should solve these problems as quickly as we can and we are financially capable of doing. And, of course, I go back to the recommendations that were in my testimony for the best way to do it.

Thank you.

Mr. CARNAHAN. Mr. Rohrabacher?

Mr. ROHRABACHER. Thank you very much.

What we are talking about, basically, is providing a service to the world's poorest people and people who live in deprivation, and usually the deprivation coincides with the fact they also live under tyranny and under a corrupt government. Inoculations, clean water, deworming—all of these basically are services that should be provided by once's own government or should be provided with their local government working in coordination with private-sector groups, such as your own.

If we provide the services, if these young people are burdened with more debt, especially if we end up borrowing the money to provide these services and then expect these young people to pay taxes on it for the rest of their lives in order to provide these services on an ongoing basis, doesn't this mean that, unless there is the reform that Mr. Roberts is talking about in their society, that as soon as we quit providing the services, the worms will come back and the diseases will come back and the dirty water will come back.

Isn't that the case? Unless there is the reform he is talking about, no matter what we do temporarily to alleviate the current suffering, are we not just saddling our young people with this monstrous burden of debt in order just to provide something that is going to go right back to its bad state anyway? Is that not the case?

Go right ahead.

Ms. CALVIN. Well, I will take on a couple of those.

I mean, I hear exactly what you are saying, and probably the biggest buzzword in this whole area is "sustainability," to make sure that anything that is done has a chance for being carried forward in the future.

So, a couple of things. Obviously, we did eradicate smallpox. And systems were kept in place to ensure that it didn't come in back. So that has to be a goal that is put into every program.

Mr. ROHRABACHER. It hasn't come back yet.

Ms. CALVIN. It hasn't come back yet.

Mr. ROHRABACHER. But the fact is that if we are not successful in much of the Third World, it will come back, just like malaria was almost eliminated, as well, correct? I mean, malaria almost disappeared. Now, I mentioned that—well, I think it was pretty well attacked in Africa, as well. So the rates of malaria now have

not gone up in the last 10 years in Africa? Yeah, they have dramatically risen in Africa in the last 10 years. Not that we have eliminated it, but the fact is that the DDT decision—but that is different than the point I am making.

Ms. CALVIN. So I want to agree with your point, basically, because I think you are right, that this is the most important thing. So things like The Global Fund, which requires countries to submit a plan—and the plan is not just to get the money for the services they are seeking, but it is to show a plan for how they will continue the program going forward, how they will be investing increasing parts of their own resources to make this a country-led plan in the future. So I think that is a shift that we are seeing in——

Mr. ROHRABACHER. So the corrupt dictator someplace in one of these despotic little countries, the corrupt dictator, he has to make that deal. But do you know what happens when you are dealing with people who have the morality level that they murder their own people because they might have said something in opposition to the government? Do you know what the morality level—do you know what the chances of that leader keeping his word is? Almost zero, because he has no morality.

There are large numbers of people in power in various parts of the world who murder their own constituents, you might say, if there was any threat to their power. And they are not going to keep their word on that anyway.

So, in the end, I would hope that, yes—by the way, the deworming thing is a very—and clean water, all of these things are very easily seen as a horrendous condition that poor people around the world find themselves. Their children end up with worms, and, like you say, it affects their ability to deal in school. We know that without clean water, it just saps the ability of people to live a healthy life and, thus, have progress in their society. So—and inoculations, I mean, it goes unsaid.

But, in the end, these are services that their government is supposed to provide and they are not doing it. And most of the time, we are just suggesting, I think Mr. Robertsis suggesting, most of the time that is tied to the corruption and despotism of their own government. And until that changes, all we can do is temporarily alleviate some suffering. And whether or not the temporary alleviating of suffering is worth the type of major expenditures that we are talking about, I am not sure, unless it is coupled—now, by the way, you have made the point that we are talking about specific goals. But the specific goals in eliminating that suffering for now is not necessarily eliminating the fundamental cause of the problem, which was outlined by Mr. Roberts.

And, Dr. McArthur, you have always had good comebacks, so go right ahead.

Mr. MCARTHUR. I don't want to disappoint.

Just on the malaria bit—again, happy to follow up with you after that—the ecological factors affecting malaria transmission in Africa are actually different. So it never had the same inroads because it is actually a denser parasite there, in effect. So it is actually a unique case, which is why the breakthroughs now are the first time we have ever had it in the scale we have had.

In terms of the points on corruption, I would only want to agree on the principle, but differing the application of its logic. So, corruption should be a vetting factor, and I would never advocate supporting dollars going to a disappearance act. That is absolutely the opposite of the point.

I think we need to segment the developing countries in a couple of ways. One is the very poor versus the up-and-coming. I, roughly speaking, would draw the line at about $1,000 per capita income. So India, for example, is in the process of graduating from development assistance, and that is a great success. The countries that are at $200 per capita, $300 per capita income, they can't even afford, if they had every penny in their budget put to these things that you just described, they can't afford that.

And so we need to segment to the second criteria on the countries that are committed to doing this, like that Malis that just democratically reelected President Toure, a terrific leader, like President Mutharika, democratically reelected, great support. And we need to help them implement the programs with all the accountability structures we have described.

So if we think about the qualification hurdles of commitment and poverty, then we help support the integrated set of activities that help a country escape extreme poverty through growth, health, infrastructure, education, and so forth—and it has to be a joint venture strategy. It is not us bringing in all the resources. It is a joint financing strategy, theirs and the international community's. That is where we start to see real results, in our experience.

I would just flag one final point. If we look at the questions of the deficit and the debt, the absolute values of the dollars we are talking about, I wish they were at the scale that were affecting those calculations in a real way. Again, we are talking about in an era of 10 percent of GNP deficits, down to 9 percent in the latest projections, we are talking about increasing by a few tenths of a point of a percent.

Total U.S. Assistance to Africa was about $7.5 billion in 2009—$7.5 billion. It is almost rounding error for most budgets. Compare that to any normal aggregate that we read about in the papers these days. The Wall Street bonuses alone in 2009 were $20 billion. So, whatever one might think of those bonuses, that reflects how these resources are actually being allocated in any aggregate scale.

And so I think we need to understand that there are very small amounts of money—total global assistance to Africa from all the countries put together works out to about $45 per African. And that is to pay for everything.

So I think it has to be, as you said, goal-based, targeted, outcome-driven, owned by national countries, joint financed, and then that is where we will see the breakthrough results continuing.

Mr. ROHRABACHER. Well, you know, a billion here and a billion there, and pretty soon you are talking about real money.

Mr. MCARTHUR. I agree.

Mr. ROHRABACHER. As to paraphrase our good friend Everett Dirksen.

Just one thought on the bonuses. I happen to have been author of a piece of legislation that unfortunately didn't get anywhere, that any company that provided bonuses to their senior executives,

the executives had to give that back before they could receive any support from the Federal Government in the form of bailouts.

Unfortunately, the people giving these bailouts decided not to put that restriction on, just, as I might add, there are some people who don't want to put caps on the amount of money that is paid to executives who are partners of the United States but in a charitable institution.

Thank you very much, Mr. Chairman.

Mr. CARNAHAN. Thank you.

And I just want to thank our panel today for illuminating us on these initiatives, the public and private partnerships that we have heard some great success stories but also some continuing challenges and I think a variety of different approaches, that we all need to be part of this debate.

So thanks to all of you. Thanks to those of you who attended, especially the young people here. This is really important for you and your futures, as well. So thank you all for being here.

We are adjourned.

[Whereupon, at 11:28 a.m., the subcommittee was adjourned.]

APPENDIX

Material Submitted for the Hearing Record

SUBCOMMITTEE HEARING NOTICE
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515-0128

SUBCOMMITTEE ON INTERNATIONAL ORGANIZATIONS, HUMAN RIGHTS AND OVERSIGHT
Russ Carnahan (D-MO), Chairman

July 26, 2010

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN hearing of the Subcommittee on International Organizations, Human Rights and Oversight, to be held in **Room 2172 of the Rayburn House Office Building (and available live, via the WEBCAST link on the Committee website at http://www.hcfa.house.gov)**:

DATE: Tuesday, July 27, 2010

TIME: 9:30 a.m.

SUBJECT: Achieving the United Nations Millennium Development Goals: Progress through Partnerships

WITNESSES: Ms. Kathy Calvin
Chief Executive Officer
United Nations Foundation

John McArthur, Ph.D.
Chief Executive Officer
Millennium Promise

Scott C. Ratzan, M.D.
Vice President, Global Health, Government Affairs and Policy
Johnson & Johnson

Mr. James Roberts
Research Fellow for Economic Freedom and Growth
The Heritage Foundation

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF SUBCOMMITTEE ON *IOHRO* MEETING

Day *Tuesday* Date *07/27/10* Room *2172 RHOB*

Starting Time *9:35 am* Ending Time *11:26 am*

Recesses [ ] (____ to ____)

Presiding Member(s) *Chairman Carnahan, Ranking Member Rohrabacher*

CHECK ALL OF THE FOLLOWING THAT APPLY:

Open Session [✓]
Executive (closed) Session [ ]
Televised [✓]

Electronically Recorded (taped) [✓]
Stenographic Record [✓]

TITLE OF HEARING or BILLS FOR MARKUP: *(Include bill number(s) and title(s) of legislation.)*

Achieving the United Nations Millennium Development Goals: Progress through Partnerships

SUBCOMMITTEE MEMBERS PRESENT:

Rep. Carnahan; Rep. Rohrabacher

NON-SUBCOMMITTEE MEMBERS PRESENT: *(Mark with an * if they are not Members of HIRC.)*

Rep. C. Smith

HEARING WITNESSES: Same as meeting notice attached? Yes [✓] No [ ]
(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: *(List any statements submitted for the record.)*

UN Joint Action Plan for Women and Children's Health; Rpt "From Promises to Delivery"; Rpt "Harvests of Development in Rural Africa"; Innovative technologies for women's and children's health; C. Smith SFR

ACTIONS TAKEN DURING THE MARKUP: *(Attach copies of legislation and amendments.)*

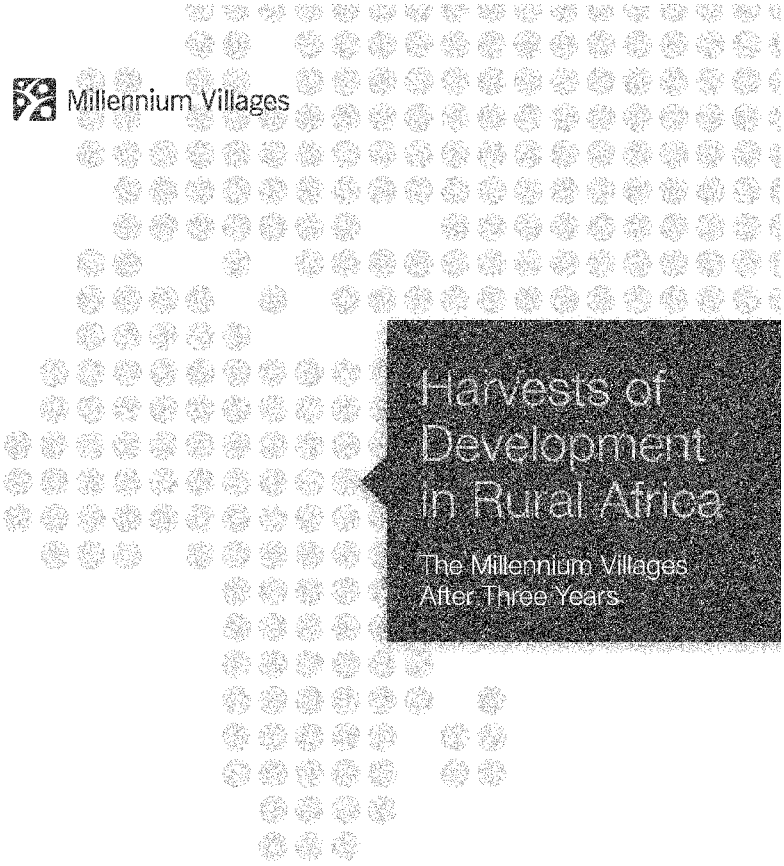
RECORDED VOTES TAKEN (FOR MARKUP): *(Attach final vote tally sheet listing each member.)*

Subject	Yeas	Nays	Present	Not Voting

TIME SCHEDULED TO RECONVENE _____
or
TIME ADJOURNED *11:26 am*

Subcommittee Staff Director

MATERIAL SUBMITTED FOR THE RECORD BY THE HONORABLE RUSS CARNAHAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MISSOURI, AND CHAIRMAN, SUBCOMMITTEE ON INTERNATIONAL ORGANIZATIONS, HUMAN RIGHTS AND OVERSIGHT



THE EARTH INSTITUTE
COLUMBIA UNIVERSITY

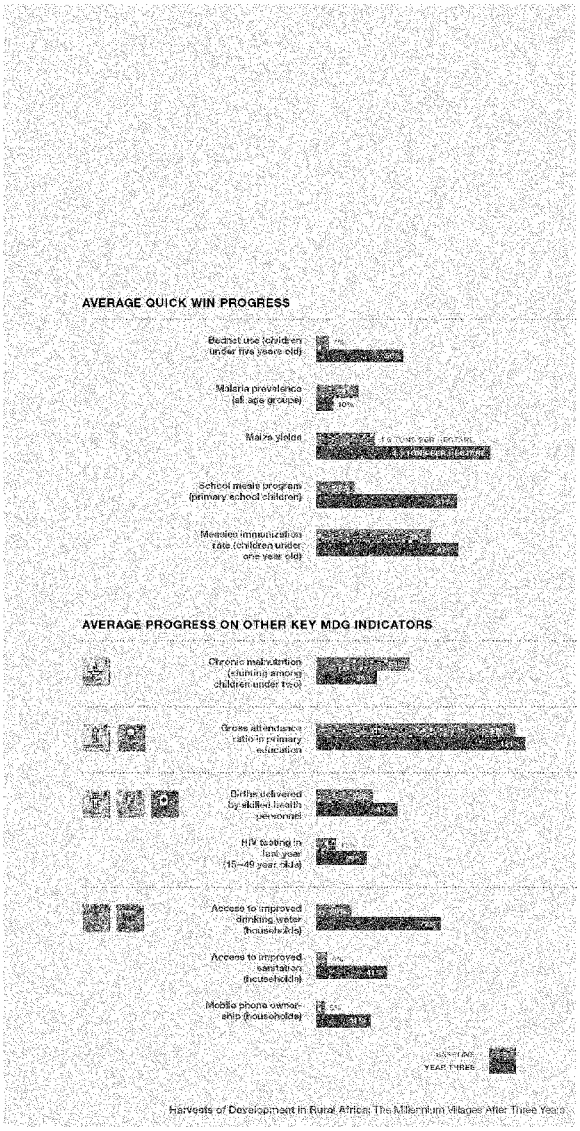
Millennium Promise

Executive Summary

At the UN Millennium Summit in September 2000, world leaders adopted the Millennium Declaration, committing nations to a new global partnership to reduce extreme poverty and address pressing challenges of hunger, gender inequality, illiteracy, and disease. The year 2015 has been affirmed as the deadline for reaching these Millennium Development Goal (MDG) targets.

The Millennium Villages Project was piloted in Kenya and Ethiopia in 2005 and then launched at scale in 2006 to reach nearly half a million people across ten countries. The goal is to show how an integrated approach to community-level development can translate the international MDG agreements into ground-level breakthroughs throughout rural sub-Saharan Africa. Villages are located in deeply impoverished rural areas that were considered hunger hotspots—with at least 20% of children malnourished. Sites were selected to reflect a diversity of agro-ecological zones, representing a range of challenges to income, food production, disease ecology, infrastructure, and health system development. The projects are locally led by host communities and governments, which receive support from the Earth Institute at Columbia University, Millennium Promise, and the United Nations Development Program (UNDP), in addition to an array of other key partners.

The Millennium Villages Project is a ten-year initiative spanning two five-year phases. The first phase focuses on achieving quick wins, especially in staple crop production and disease control, and on establishing basic systems for integrated rural development that help communities escape the poverty trap and achieve the MDGs. The Project involves the coordinated community-led delivery of a locally tailored package of scientifically proven interventions for agriculture, education, health, and infrastructure. Over the first five-year phase, interventions are delivered at a modest cost, totaling approximately $120 per capita per year, of which MVP brings about half to complement funds from the host government, the local community, and other partners. The second five-year phase will focus more intensively on commercializing the gains in agriculture and continuing to improve local service delivery systems in a manner that best supports local scale-up.



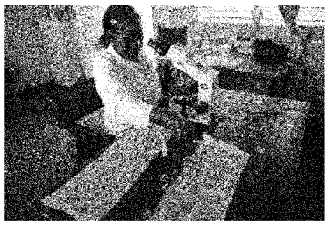
Average MDG Progress Across Five MV Sites

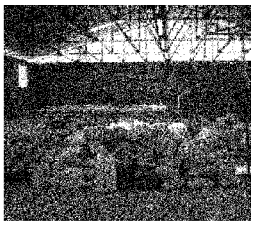
Progress to Date

The Millennium Villages are underpinned by a robust monitoring and evaluation platform. Detailed socio-economic and health surveys, including biological and anthropometric measurements, and biophysical data on crop yields, take place at Project initiation and are repeated after three and five years of program exposure. An economic costing study measures the contributions of Project partners to all cluster-level activities. Finally, qualitative process evaluation systematically documents the experience of implementers, Project partners, and beneficiaries.

This report highlights the early results after three years of implementation across five initial Millennium Village sites in Ghana, Kenya, Malawi, Nigeria, and Uganda. Progress toward achieving the MDGs are derived from recently completed mid-term (year three) surveys. All data contained in this report compare baseline values to year-three assessments, among a sample of several hundred households across each cluster. A summary of these findings is presented in this report. A more detailed description of the overall evaluation methodology is provided in the Appendix.

Further scientific results, including comparisons with other villages, will be published later this year, including in peer-reviewed scientific literature. We therefore emphasize the provisional nature of the results presented here, both in the sense that they are after only the third year of a ten-year project, and in that they represent only part of the third-year evaluation underway this year. We are presenting these partial results now in order to foster a better public understanding of the Project and its potential to help reduce extreme poverty, hunger, and disease in rural Africa. We hope that this report contributes to the public discussion in the lead-up to the MDG Summit in September 2010.





Program Impacts

One of the first interventions introduced was the provision of long-lasting insecticidal bednets (LLINs) for every sleeping site. Three years later, there is a seven-fold increase in bednet utilization rates and a 60% reduction in malaria prevalence on average across the sites. Levels of measles immunization, an intervention that can be delivered through coordinated campaigns, have increased to over 80%. In agriculture, input support for improved seeds and fertilizers accompanied by training of farmers in agronomic techniques has resulted in well over a doubling of staple crop yields. This has contributed to a 35% reduction in levels of chronic undernutrition (stunting) among children under two years old (those conceived since the start of the Project). Through partnerships with communities and local farmers, who donate a portion of their crop surplus, 80% of children now receive a school meal—an intervention linked to increased school attendance and better learning outcomes.

Alongside supporting quick wins, the Project initiated parallel efforts to improve access to basic infrastructure and services. In education, classrooms were renovated, schools were electrified, and the supply of learning materials was increased. Levels of gross primary school enrolment were maintained at high levels.

In health, clinics were built or refurbished, and supplied with appropriate levels of staff and equipment including essential drugs, water, and electricity. Free primary health care at the point of service has been the cornerstone of the Project, to remove access barriers for patients. Local hospitals were strengthened to support emergency referrals and obstetric services—a process enhanced by access to emergency transport, road improvements, and critical partnerships to expand mobile phone coverage. Some of these longer term effects are beginning to show—as evidenced by a threefold increase in HIV testing rates and a 30% increase in women giving birth in the presence of skilled birth attendants—an important intervention for reducing the number of maternal deaths.

Finally, through partnerships between the government, local communities, and the Project, major gains have been made in improving access to basic infrastructure—including more than a threefold increase in access to safe water and a sevenfold increase in access to high quality sanitation facilities.

Next Steps

While encouraging evidence of solid progress has been made on a number of fronts, consolidating these gains and ensuring their durability will require effective coordination between Project partners in the final two years of the Project's first phase. In agriculture, this will entail efforts to enhance the diversity of crop production, increase market access, and extend the value chain through agro-processing and business development interventions. In education, efforts to enhance the enrolment of girl learners in some sites, improve school quality, and facilitate the transition to secondary school are a clear priority. In health, with basic infrastructure present in most sites, improving the continuum of care, extending intervention coverage to the household level through a community health worker program and linking all the components into a self-correcting system all remain a critical focus. The application of mobile phone-based technologies to generate real-time information on program performance will greatly enhance these efforts. Finally, ongoing efforts to complete major infrastructure projects while developing locally appropriate strategies for their ongoing maintenance remains a major priority.

The September 2010 UN MDG Summit heralds the final five-year push toward the 2015 deadline for achieving the MDGs. The experience highlighted in this report suggests that with political support, effective partnerships, and modest financial resources well within the bounds promised to Africa by the donor countries (though not yet delivered), villages across rural Africa can achieve the MDGs and escape the poverty trap. This report provides information on the range of sector strategies employed at these Millennium Village Project sites, as well as a more detailed description of site-specific progress, and barriers and facilitators to implementation. It is our hope that the early and still-provisional lessons drawn from this experience, even after just three years of a ten-year effort, will provide guidance to governments in scaling up their efforts to address extreme poverty in a holistic manner. We believe that the integrated, community-led, rural development approach described here, properly tailored to local conditions, marks a key strategy for ending extreme poverty and achieving the MDGs. ■

UN Secretary-General Visits Malawi Millennium Village

On May 30, 2010 United Nations Secretary-General Ban Ki-moon visited the Mwandama Village School of Mwandama in Malawi. The Secretary-General made the last visit to a Millennium Village and expressed his optimism after seeing the progress made toward achieving the MDGs.

SECRETARY-GENERAL'S REMARKS AT MWANDAMA MILLENNIUM VILLAGE

Good morning, ladies and gentlemen, and also farewell.

As my visit to Malawi comes to a close I would like to thank President Mutharika and the people of Malawi people for their warm welcome and generous hospitality.

I depart with a renewed optimism for the future, in part because of what I have seen here.

This is a crucial time for African development. And this Millennium Village in Mwandama is in many ways a model for how to do it.

Five years ago, one of every three people in this village was not getting enough to eat. Most children did not go to school. Exposure to HIV/AIDS was dangerously high.

Today, I met with many of the people who live here. They told me their stories. I heard what life was like in the past, and how it is today.

The good news is that people's lives are far better. The vast majority of families now have enough food. I saw that for to sell at the community Grain Bank. Thanks to new fertilizers and seeds, the area's small farmers produce a surplus of grain.

Mwandama has seen dramatic improvements in health and education. Students have been distributed bednets to prevent malaria. Now, nearly everyone has clean drinking water. Significantly more children go to school, including many more girls. Roughly 40% of vulnerable people have got tested for AIDS.

I saw many people using cell phones, and even solar-powered lights.

The key to these successes is strong leadership and good policy—specifically, well-targeted investments in education, health, agriculture and ICT technology.

These programmes are all pragmatic, results-oriented and scaled to the real needs of real people. And this is only the beginning.

I congratulate the leadership of the village and the whole community—especially the women of Mwandama—for their hard work and their commitment to a better life for their children and for generations to come.

Today I call on every country to look closely at this success. It's case study in what is possible, even in the poorest places in the world.

The message I want you to bind away is this: we should support them against critics who allege that meeting the MDGs is hopeless. They work.

They offer real-world, real people evidence that we can achieve the Millennium Goals—on schedule and with the resources world leaders have already promised to.

All we have to do is try.

Thank you.

—United Nations Secretary-General Ban Ki-moon

Christopher J. Elias, MD, MPH, President and CEO, PATH

Innovative technologies for women's and children's health

Achieving the health-related Millennium Development Goals requires addressing women's and children's health broadly in addition to focusing on the critical period of pregnancy, childbirth, and an infant's first weeks of life. New technologies enable woman-controlled contraception, protect women and children against the most common causes of disease, and support accurate diagnosis to ensure appropriate treatment. To develop these technologies, innovative partnerships leverage the strengths of both the public and private sectors to deliver accessible, sustainable advances in health to populations in need. Below are some technologies and approaches that can create further significant impact on the health of women and children.

Products in the pipeline to improve the health of women

- **New contraceptive technologies.** Reducing fertility rates contributes significantly to declines in maternal mortality rates.[1] Female condoms, one-size-fits-most diaphragms, and injectable contraceptives packaged in easy-to-use, single-use syringes are examples of new contraceptive technologies in the pipeline. These technologies give women greater control over their fertility and are specifically designed for low-resource environments.
- **Technologies to prevent and treat postpartum hemorrhage.** Postpartum hemorrhage is a leading cause of maternal mortality. Oxytocin in Uniject has great value for birth attendants who either work alone or have limited injection skills. Use of this device has the potential of increasing uterotonic coverage to all levels of the health care system as well as to women who give birth in the home. An anti-shock garment provides counterpressure to the lower body. Balloon tamponades are devices used to exert direct pressure at the site of postpartum hemorrhaging. Balloon tamponades may be combined with hemostatic agents to facilitate delivery of the agent to the hemorrhage site.
- **Cervical cancer prevention and treatment.** A disproportionately higher number of women die from cervical cancer in the developing world than in wealthy countries. HPV vaccines protect women against the primary cause of cervical cancer. Screening technologies that can help detect HPV and markers that detect HPV's progression to cervical cancer are critical tools to manage women's treatment and care.
- **Other diagnostics.** Point-of-care diagnostics that detect sexually transmitted infections enable health care workers to treat women quickly and protect women and their unborn children from serious disease. Diagnostics that detect maternal and neonatal sepsis enable health workers to administer antibiotics to appropriately treat infection.

Products in the pipeline to improve the health of children

[1] Hogan MC, Foreman KJ, Naghavi M, et al. Maternal mortality for 181 countries, 1980-2008: a systematic analysis of progress towards Millennium Development Goal 5. *The Lancet*. 2010;275:1609-1623.

- **New vaccines.** Pneumonia, diarrhea, and malaria accounted for 41 percent of all deaths in children younger than five years worldwide in 2008[2]. New, improved, and less costly vaccines for each of these illnesses hold significant potential for reducing child mortality. Other vaccines, including one targeting the most prevalent strain of meningitis in sub-Saharan Africa, address specific diseases that disproportionately affect poor populations.
- **New diagnostics.** Appropriate treatment of disease relies on accurate diagnosis. New diagnostic technologies offer the potential to increase treatment effectiveness and simultaneously reduce the risk of drug resistance by working to eliminate overtreatment for poorly diagnosed symptoms. For example, as malaria incidence falls due to deployment of insecticide-treated bed nets and other preventive interventions, health care workers can no longer assume that a patient with a fever has malaria. Fever panel diagnostics can identify multiple potential causes of the fever, enabling health workers to administer the appropriate treatment. Accurate diagnosis and treatment also reduce the risk of drug resistance by the malaria parasite.
- **Safe injection devices.** Injection devices designed to be used by non-medical and less skilled healthcare workers enable governments to adopt policies to extend interventions into additional segments of their populations. Administration of the antibiotic gentamicin in Uniject is potentially of great importance for the management of newborn sepsis at the community level and possibly at the very peripheral health services. Corticosteroids reduce the risk of RDS (respiratory distress syndrome) and intraventricular hemorrhage in the premature baby and are known to be much underutilized. Steroids in Uniject could be potentially useful for preterm labor at community level and by less skilled personnel. Introduction of such a device would have to be combined with training on accurate estimation of gestational age and careful assessment of a woman who presents with uterine contractions in gestational ages less than 36 weeks.
- **New delivery technologies.** New technologies to protect vaccines and medicines during transport and storage can extend the coverage area for these interventions and ensure vaccines reach their target populations. Examples of these technologies include heat- and freeze-resistant vaccine formulations, solar-powered refrigerators, and alternative formats such as vaccines that can be administered through nasal spray or microneedles.

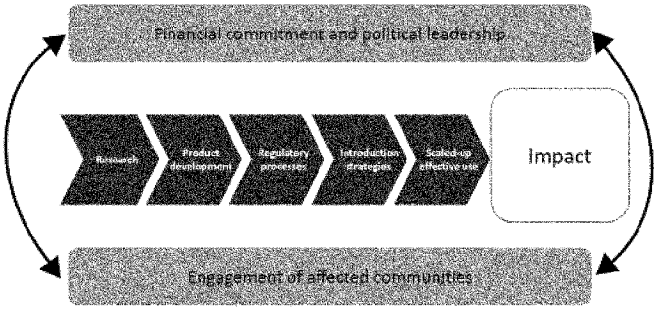
Innovative partnerships

- **Public–private partnerships structured for mutual benefit.** Nonprofit organizations are collaborating with the private sector to bring new resources and sustainable delivery of health interventions to the developing world. Public organizations engage the product development, manufacturing, and distribution expertise of private companies while providing support to manage the perceived risks associated with developing-world market opportunities. By carefully managing issues around affordability, supply, and intellectual property with the private sector, nonprofit organizations can ensure that populations in need have access to crucial interventions.
- **Developing-country capacity.** Clinical trial, manufacturing, and regulatory sophistication are growing in the developing world. Working with local innovation partners generates both economic and health benefits. The new meningitis A vaccine for sub-Saharan Africa, MenAfriVac , is an example of a public–private partnership implemented by the Meningitis Vaccine Project, a partnership between PATH and the World Health Organization, and a developing-country partner

[2]Black RE, Cousens S, Johnson HL, et al., Global, regional and national causes of child mortality in 2008: a systematic analysis, *The Lancet*. 2010:375; 1969-1987.

(Serum Institute of India) that resulted in an appropriate, affordable product—costing just 40 cents per dose—that both meets public health needs and offers a reasonable return on investment.

The diagram below represents the success factors needed to develop and deploy innovative technologies for improving the health of women and children. Product developers that engage communities directly affected by health issues to solicit input on appropriate solutions will have a clear understanding of the problem and preferred product profiles. Innovative partnerships that use both public and private resources in product development more effectively create accessible, quality interventions and reasonable financial returns. Durable financial commitment and political leadership throughout the engagement and development process enables policies and provides the support needed to ultimately achieve the desired health impact.



[NOTE: "From Promises to Delivery, Putting Human Rights at the Heart of the Millennium Development Goals," by Amnesty International, and "Joint Action Plan for Women's and Children's Health, Investing in Our Common Future," Working Papers of the Innovation Working Group, are not reprinted here but are available in committee records.]

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