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Panelist, Session 2, "Meeting the Demand: Promoting Partnerships for Engagement"

JIM THOMPSON: There you go, thank you. So we'll go without. Just out of curiosity, how many people in here are on Twitter? How many people Tweet? Handful. Two years ago, my office, I'm the Global Partnership Initiative at the State Department in the Office of the Secretary, two years ago we sort of asked that question internally at the State Department, too, and there were about the same number of hands, there were about four of us on Twitter. And we hosted, I hosted, for the first time ever something called TED at State. TED is an acronym, it stands for technology, entertainment and design. They hold these conferences that are called TED conferences and they're very famous online. You can even get them on your iPhone as an app. They have great speeches, they're speech of your lifetime in 18 minutes or less.

We invited Clay Sharkey, who's a professor at New York University to come and do a TED talk for us at State. Eight hundred people came to the TED talk. The line was down the block and around the corner, it was a little embarrassing. Our security was tight. We had Clay speak at TED because we wanted him to say at State, "The next revolution was coming via Twitter." And he was prophetic and bright. Two weeks after his talk, the Iranian election took place, and I think most of you know what happened with the Iranian election. Obviously, it wasn't a revolution, but things in North Africa, the Middle East are certainly proving that social media and social networking are important factors.

When Clay said the next revolution was coming via Twitter, there were four of us at State on Twitter and we looked at that, the State Department said, "That's not right. We need to think broader. We need to be smarter about what people are doing and how people are communicating today." That was not why our office was born. Our office was actually created by the previous

administration at the end of the previous administration to look at doing public/private partnerships. So I'm going to take this panel a little bit off topic and talk to you about partnerships, but partnerships with the private sector and the NGO community to think outside of just government, to think about universities, to think about think tanks, to think about others that you can bring into your universe.

I was flattered to hear that I was being thought of as the USAID person on the panel. I did spend 14 years at the agency, but I've been at State now for several years. When I was at AID, we looked at this public/private partnership phenomenon and again it was about resources being cut. USAID has never been a favorite on the Hill with some senators, one from North Carolina, but I wouldn't name him. He's no longer with us. We were under the gun, this is going back a little over ten years ago, the agency was criticized and we had an opportunity to think differently. To take the senators' comments at the time and figure out how we could bring in new partners and new thinking.

What we did was we took a look at what was happening in the universe, in the universe that we were in in development at the time, and what we found was striking. In the 1960s, the majority of what went from the United States to developing countries, and foreign flows, was primarily foreign assistance. The 1990s and to today, it's completely flipped on its head; it's mostly private resources. And a much smaller percentage of foreign development assistance. The numbers actually were startling. In the '60s, it was a 70/30 ratio, in the 1990s it was an 80/20 reverse ratio, 80 percent private, 20 percent and falling fast, foreign direct assistance.

So we looked at this phenomenon and said, "Wow, there's a lot of other players out there in this development space. We need to be thinking differently about how we approach development and what is development." And that's when we started talking about new partners. It's one thing to say we can partner with our colleagues and other development agencies. It's another thing to say that we're going to partner with YouTube. But we have partnered with YouTube, successfully actually. At the Department of State, we have a great public/private partnership called the democracy video challenge. A really interesting thing, when we're doing our diplomacy, we want to talk and we want to get others talking about what democracy means to them. So in this case,

rather than try to get our message out through our public affairs channels, we reached out to a partner. And in this case, it was YouTube. There's the PowerPoint, thank you. Just hold it there for a minute.

And with YouTube, we suddenly had a worldwide platform to talk about democracy. And in this case, we built this partnership. For YouTube, it was just a natural use of their platform. For us, it was in the way to amplify our message. So we asked, we did a worldwide competition and this competitiveness thing, these challenges, as they're called by the White House now, are very vogue, very in vogue. There's a number of them taking place with a number of different agencies. But what I'm trying to tell you today is we've done one several years ago that was highly successful and it got our message about democracy out to people.

So we did three minute videos. Youth could submit up to three minute videos of what democracy meant to them. Worldwide competition, we had 70 responses out of Iran, we had over 200 responses from China. And it got our message out in a way that we couldn't do ourselves with our own resources. I've heard this several times about resources being constrained. I work in an office that brings in resources. We're not budgeted, I'm in an unbudgeted office. We've brought in \$140 million so far into our office through our programs. We are able to reach out to others through our platform. You see on there Global Partnership Initiative, we're a convener, a catalyst and a collaborator. It's what the Secretary asked us to do when she announced our office two years ago this week at the Global Philanthropy Forum. We bring together people as a convener. We put together partnerships as a catalyst, and we bring everyone together in a collaboration process.

Just quickly, that's the chart that I was talking about. I'll jump back to it just for a second because I think it's really interesting. Two things you should note on this chart. One, that's the flows as of 2007. You'll see Iraq and Afghanistan are in there. It's a big piece of our foreign assistance budget. Most importantly, that blue section there is foreign direct investment. That's companies setting up shop overseas. That is offshoring, that is basically globalization taking place. That section has grown tremendously. The green section down at the bottom there, remittances. That's a really rough estimate, that's actually only money that flows through official channels and not

through ways that other money goes home to people. People take money home, funding goes home in their pockets. You could roughly double that and probably be closer to reality.

We have worked closely at USAID and at the State Department with corporations and NGOs. And the NGO sector there is about 8.2 percent of what's going. That's faith based fundraising. We were missing these other big sections, and that's what our office is focused on today. It's how do we tap into private sector, how do we tap into diaspora groups? How do we work with foundations? It's a small sliver up there, but they target and focus their resources like a laser beam. They spend \$30 million a year on nonproliferation.

When USAID was the world's largest donor in healthcare, we woke up that one fateful morning and **found ourselves** to be in second place to the Gates Foundation, which again made us realize we had to think differently about what we were doing and who our partners needed to be. So that's why our office was created. We were created to think about these other pieces of this pie.

I talked a little bit about the democracy video challenge. I want to mention two other partnerships that we have as case studies. The Global Alliance for Clean Cook Stoves and Partners for a New Beginning. Global Alliance for Clean Cook Stoves, how is this relevant? This is relevant because it is a major health issue. This is relevant because it is a climate change issue. This is relevant because it's a fundamental issue about the way people live. We have an opportunity here to create a partnership across the government and then bring in private sector partners. At the State Department, this was about number five on everyone's list of things that they were interested in. We pulled together the different stovepipes to work on this for us. This was of interest to our Oceans Environment Sciences Bureau as an environmental issue. This is of interest to the Women's Office because women were going out in countries where it was unsafe and collecting firewood and succumbing to being attacked. This was of interest to our colleagues at USAID as a development tool and also our Office of Foreign Disaster Assistance as a response tool.

We pulled together all these different agencies and put them together for the first time. We brought in the Department of Energy, EPA, NIH, CDC, that were all working on cook stoves

separately, brought them together through an interagency process, and created this Global Alliance for Clean Cook Stoves, which Secretary Clinton launched at the Clinton Global Initiative this past September.

The U.S. government is collectively spending \$50 million a year on cook stoves, 50 million. We had no idea that all these different units were working on this. We brought them all together into this global alliance. We worked with the foundation community. The alliance is actually housed within the U.N. Foundation and they're collecting other organizations to contribute to it. The Shell Foundation, Shell Corporation, are partners in this, contributing resources. We have the British, Finnish and Spanish government also kicking in resources into the Global Alliance.

It's a major new partnership for the administration, but it's one that recognizes the fact that we have to work across our borders, we have to work outside of just government. We need to work with the private sector, we need to work with the foundation community, we need to bring others in to leverage our resources. For a \$50 million commitment, we're not seeing this skidded up to \$70 million with our partners.

I'm going to talk a little bit about this Partners for a New Beginning, a new partnership being run out of our office in coordination with our economic bureau. This is a way that the department is actually operating kind of like the Clinton Global Initiative itself, we're an internal Clinton Global Initiative in this case. Two years ago this month, the President talked in Cairo, gave his speech about a new beginning in Cairo. We realized that we couldn't do the new beginning alone, that we needed to have private sector, we needed to have investment, we needed to have youth training. So we put together this concept of a Partners for a New Beginning. It is being led by Madeline Albright, our former Secretaries. Muhtar Kent, the CEO of Coca-Cola and Walter Isaacson, all down at the bottom there, the President of the Aspen Institute. They house the secretariat for this Partners for a New Beginning. What it's asking our companies, what our private sector is doing, is stepping up to the plate in North Africa and Middle East in countries in turmoil right now and looking to create jobs, looking to invest, looking to build out their facilities and to do operations in these countries. We've got companies making big commitments

and working in this region. The Secretary noted this in her speech yesterday at the U.S. Islamic Society.

This is a major partnership for us. we have a \$2 billion commitment by OPEC for North Africa that is going to be somewhat transformational. We've got a new Development Enterprise Fund that has been proposed by the Hill and endorsed by the Secretary, an enterprise fund that would create the U.S. government as an investor in these regions. And we have a major commitment coming in by a bank that's going to create a billion dollar fund for the region. This is real money. This is going to create jobs, this is going to create economic opportunities.

When we looked at that pie chart years ago at USAID, we realized as our piece of it was shrinking, we needed to take our development resources and start to work with others, to be able to take our shrinking resources and start to catalyze what the private sector could do, start to catalyze what diasporas could do. And figure out how do we work together? We are not alone in this at State and USAID. The combatant commands have recognized this as a potential to bring in new partners for their work. We are in close contact with SOCOM and SOUTHCOM. We have a number of partnerships that we're developing with them. We are also working with the Office of the Director of National Intelligence who stood up a public/private partnership unit. We have partnership units at FEMA and across our other domestic agencies.

This public/private partnership stuff is growing, it's an increasing trend. We're developing training modules that will be of use to the military, that'll be run out of our Foreign Service Institute. So I welcome you to join us in this process.