

Millennium Cities Initiative

EARTH INSTITUTE | COLUMBIA UNIVERSITY

CAPSTONE SEMINAR FOR THE REGIONAL PARTNERSHIP TO PROMOTE TRADE & INVESTMENT IN SUB-SAHARAN AFRICA

Tuesday, October 29, 2013

Opening Remarks

Dr. Susan M. Blaustein, MCI Director

Welcome and Introduction

Sari, thank you; to our three Honorable Mayors -- Honorable Mayor Kojo Bonsu, of Kumasi; Lord Mayor Gulamhussen Dewji Remtullah, of Tabora; Honorable Mayor Teweldebrhan Tesfalem, of Mekelle; and former Honorable Mayor of Mekelle, and now Dep'y Director General of Technical and Vocational Education, Mr. Nigusse Gebre; to our generous funders, the Government of Finland, represented here today by Mr. Antti Piispanen, Commercial Counsellor in the Ministry of Foreign Affairs; to Mr. Robert Whyte, Global Specialist on the World Bank Group's Investment Promotion Industry Team, and our brilliant facilitator for yesterday's terrific session; Mr. Trevor Davies, representing our longtime global partner KPMG, a veteran practitioner in KPMG's large and growing international development practice; my esteemed former Co-Director, Senior Advisor to the Vale-Columbia Center of International Investment, Dr. Karl Sauvant; our esteemed members of the Advisory Group of the Regional Partnership to Promote Trade & Investment in Sub-Saharan Africa; MCI Regional Coordinators and MCI Investment Promotion Specialists, present and former members of our MCI team, many of whom have come from so far to be here with us today, a warm welcome to you all, to what we hope will be a tremendously rewarding and productive day!

We are honored today to have our Capstone Seminar facilitated by someone who has helped to steer this project through innumerable obstacles and important successes with her own special vision, confidence and enthusiasm, Ms. Sari Laaksonen, formerly the Commercial Counsellor in the Ministry of International Development in Finland's Ministry of Foreign Affairs. I know that Sari's ever-expanding expertise in the arena of trade and development in emerging markets, her quick and deft thinking and her deep knowledge of this project, its ambitious aims and its many challenges, will ensure that today's session is fruitful, educational, forward-looking and always interesting. Thank you, Sari, for your willingness to join us here, for this capstone event; I know that my colleagues are all delighted to have the opportunity to see you again, and to help bring this project to its successful close.

And it IS a successful close! But we will get to that, soon enough – my own job here this morning is to remind us all of the important synergies between social and private sector development, and the role of the private sector development agenda in an integrated, MDG-based City Development Strategy and in furthering MCI's own mission. So for a few minutes, please bear with me, as we conjure the large, far-sighted purpose toward which we have all been striving and for which we are all here at Columbia University, in the super-Millennium City of New York, on this beautiful October morning.

Synergies between social and private sector development, and the role of the private sector development agenda in an integrated, MDG-based City Development Strategy

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The degree to which the relationships between public and private sector development, and between private sector and *human* development, are essential to effective urban social and economic development may have been less obvious back in 2005, when we designed the Millennium Cities Initiative, than they are today.

Even our initial research, regarding prevailing conditions, assets and critical gaps in both the social and private sectors, revealed numerous significant overlaps of need and potential synergies in the anticipated effort to fill these needs: for instance,

- Decent roads are essential not only to get the agro-production from farm to market and from factory to port, but also to get that mother in a complicate labor in the village to a tertiary care center where she can deliver safely and in good time.
- Adequate water supply is essential both for propitiating (for example) juice production and most industrial work, and for affording the population clean drinking water, thereby reducing infection with waterborne disease and the consequent missed school days, costly emergency medical care and child deaths.
- Energy and connectivity are obviously key to industrial production and efficient marketing, sales and other business practices, as well as to the ability to make use of online educational resources, capitalize on the life-saving capabilities of telemedicine and build global awareness and collaborations.

There are other linkages, as well, between what one would traditionally consider public sector investments and private sector interest in a particular location; to take just one example,

- Safe and equipped schools, especially those with science labs, IT centers and libraries, will impress potential investors with the public sector commitment to its population and to the goal of educating a strong and capable workforce.

It is easier to make a strong case to both regional and national government and to development partners when we can claim that they will get “more bang for their buck,” or can “kill several birds with one stone,” as we often say here in the States; our research, as carried out by MCI and the cities themselves, has shown the impact on commerce, access to public services *and* on livelihood.

It is also clear that cities are well within their rights to reach out to *companies*, as well, to help support the public as well as their own business goals – some good examples of corporate engagement in public sector strengthening include IBM’s Smart Cities initiative, which has helped numerous cities with their technology interfaces and their capacity-building in this area; a consortium of Philips, Dell, HP and other high-tech firms has embarked on an important initiative to reduce e-waste across West Africa; Siemens has its own “Sustainable Cities Initiative,” and numerous food-processing and commodities trading companies have provided essential agricultural inputs and/or established food security or nutritional feeding programs in the country where they are working.

This reinforces the importance of public-private sector dialogue – for one thing, so that the companies are not just giving what is easy for them to give, but rather what the cities themselves most need and desire, and second, because it will take both the public and private sectors, working together, to surmount some of the substantial, and *increasing*, challenges facing today's cities, worldwide.

In *this* country, this interdependence is obvious: indeed, it is built into the DNA of our political system as part of *the original sin*, if you will, of capitalism-financed democracy: that politicians need to consult and enlist private sector actors and to persuade them of the need to do more, in delivering social goods and services. President Obama has proven very good at this – getting companies to create solid skills training programs, and attempting to make financing available for the kinds of private sector investment that will both improve our nation's infrastructure and create jobs in underserved areas.

In Africa, where there are certainly strong linkages between public officials and strong business interests, there has not been a systematic practice, as yet, of elected officials working in partnership and in tandem with powerful companies with the specific aim of advancing the urban agenda. This is something that you, Honorable Mayors, can pursue, using your own entrepreneurial and political skills to help your investors understand how they can really partner with the cities where they are putting their money and their effort.

This brings us to the all-important need for thoughtful *PLANNING* – for faced with a willing partner or an opportunity, how can an elected or appointed official, someone who is likely to have his *own* list of priorities, know what to ask for, that will have the greatest impact on the life of the city *as a whole*, and with that, on the lives of ordinary people?

This is *precisely* why MCI was set up – to conduct the research, in both the social and private sectors, to assess and quantify the critical gaps in each – in terms of achieving the MDGs, in the social sector, and increasing capacity and production, in the private sector. The results of this research -- reliable, science-based information about need, on the one hand, and cost estimates for filling each need, on the other -- were intended, and have in fact been *used*, to enable a wide array of city stakeholders to debate, discuss and come to consensus regarding their *own* top development priorities for their cities: those that they feel will bring in and develop the private *and* the public sector sectors, so as to strengthen the delivery of public goods and services, thereby giving rise to an even *stronger* private sector, one that is able to create good jobs, livelihoods and improved living conditions for the local population.

The sustainable cities agenda obviously comes in here, as we've said – without clean water, clean air, our trees, urban commons and green space, we cannot advance as a city; without food security, a strong public education and decent, healthful jobs, our population can neither be productive nor healthy.

A few years ago our Director here at the Earth Institute, Prof. Jeffrey Sachs, wrote a book called, *Common Wealth* that, like his first book, *The End of Poverty*, made clear that these challenges cannot be met unless we all pitch in – there are hugely important roles here for government, for academia, for the local and global private sector, the NGO community and for local civil society groups, to make each other aware of their cities' most urgent and vital needs, and to play their own unique and critical part in filling these.

With the investment over the last number of years on the part of MCI, the Earth Institute and the Government of Finland, and with the outreach in both the public and private sectors to active current as well as prospective partners for development, we leave the Millennium Cities, as we wrap up our role in each one, with a good deal of evidence-based knowledge about where you stand, with regard to these Goals (granted, this knowledge will need updating on a regular basis, as no city presents a static picture,

which is why we've tried to build capacity within the civil service, in carrying out this needs-based research). We also leave you with some wonderful partners, who have brought in important investments and interventions to your cities; as well as strong linkages to possible new partners, linkages that now require your equally strong and persistent follow-up.

NONE of this, we all are mindful, is easy: cities are not only difficult organisms to understand, they are even more difficult to change, and they, and their vibrant, resilient populations are, if anything, fast-growing, fast-moving targets. What we are developing here – and what I hope we can crystallize further today, for the use of our cities, our Africa Centers and other municipalities, both in Africa and beyond – is a set of tools that we've experimented with, honed and improved, and with which the cities themselves are starting to yield tangible results. This set of tools, if you will – a portfolio of strategies, instruments, training programs, methodologies for feasibility work and for promotion, and techniques for measuring one's own progress -- will be our collective contribution: first and foremost, to *our* 3, hard-working Millennium Cities; to other cities, anywhere, with the drive to succeed; to regional and national governments, which very much want and need their main cities to thrive; and to the development community as a whole, which, by now, is tired of reinventing the wheel, has little money, time or patience for endless experimentation, and which wants to implement proven strategies and, most of all, *to see change*.

This is why we've undergone this experiment, the last 2 ½ years; let's dedicate ourselves, *today*, to getting right what needs now to be followed up on, as well as what can and ought to be *shared* – about our insights and our successes, so that others might follow your example and might reap some of the same impressive initial results that you, my friends, have achieved, in the course of this groundbreaking Regional Partnership.

My thanks again to the Government of Finland, for seeing the critical importance to *national* development of regional economic and social development, and for allowing us to attempt this ambitious experiment together with three capable, eager, sub-Saharan municipalities.