

Center for Global Development



CGD @ 10

*Ten years of independent research &
practical ideas for global prosperity*





10 Center
 of Global
 Development

*Ten years of independent research & practical
 ideas for global prosperity*

www.cgdev.org

The Center for Global Development combines rigorous research and cutting-edge communication techniques in pursuit of policy change.

We are an **independent** voice, committed to fighting global poverty and inequality through research and analysis that is rigorous, relevant, and respected.

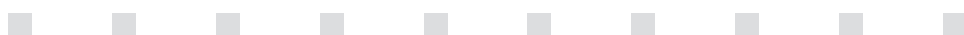
Beyond excellence in research, CGD is dedicated to effectively and creatively communicating practical **ideas** to **influence** and improve policy.

This approach is as vital to our work today as it was on day one, ten years ago.



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Celebrating 10 Years of Independent Research & Practical Ideas for Global Prosperity

The Center for Global Development works to reduce global poverty and inequality through rigorous research and active engagement with the policy community to make the world a more prosperous, just, and safe place for us all.

The policies and practices of the rich and the powerful—in rich nations, as well as in the emerging powers, international institutions, and global corporations—have significant impacts on the world’s poor people. We aim to improve these policies and practices through research and policy engagement to expand opportunities, reduce inequalities, and improve lives everywhere.

By pairing research with action, CGD goes beyond contributing to knowledge about development. We conceive of and advocate for practical policy innovations in areas such as trade, aid, health, education, climate change, labor mobility, private investment, access to finance, and global governance to foster shared prosperity in an increasingly interdependent world.

As a nimble, independent, nonpartisan, and nonprofit think tank, we leverage modest resources to combine world-class scholarly research with policy analysis and innovative outreach and communications to turn ideas into action.

We are proud of our achievements in our first decade and excited about the challenges that lie ahead. This special report marking our 10th anniversary describes 10 ways we have helped to make the world a better place and 10 problems that preoccupy us—and some ideas we have for solving them.

To learn more about the Center’s initiatives, stay abreast of current activities, or find out how you can get involved, please read this report and visit us at www.cgdev.org.







Ten years of independent research & practical ideas for global prosperity

Dear Friend,

What a difference a decade makes! Ten years ago, in the spring of 2001, the two of us met for the first time to discuss the possibility of creating a new kind of research organization, a think-and-do tank that would focus on improving the policies and practices of the rich and powerful toward the poor and vulnerable around the world. Within a few short months, amid the uncertainty and anxiety that followed the September terrorist attacks, the Center for Global Development was born.

From the start, our approach has been to recruit world-class staff—creative, passionate researchers and policy analysts with hard heads and soft hearts who are eager to make the world a better place—and then give them broad latitude in deciding which problems to tackle and how to proceed. Our focus on real-world impacts and influence led us to invest in cutting-edge communications and policy outreach. The brilliant young people we attracted to work as research assistants and program associates helped to define who we are with their energy, enthusiasm, and smarts.

As we celebrate our 10th year, we look back with pride and astonishment at the Center’s many achievements in a wide range of sectors and fields. Ten of these are recounted in the first part of this special 10th Anniversary report. We are also looking ahead, devising fresh ways to tackle tough issues in a world that is very different from the one in which the Center began.

With our superb staff, the credibility we have achieved in our first decade, an ever-widening network, and the support of our Board and funders, we are better positioned than ever to cause improvements in the policies of the rich and powerful in ways that make life less difficult and create new opportunities for the world’s most disadvantaged people.

We hope that this report will give you a taste of the exciting journey on which we are embarked, and that you will be inspired to follow our work and help to spread our ideas.

Nancy Birdsall
President
Center for Global Development

Edward Scott
Board Chair
Center for Global Development



Ten Years of Impact & Influence

The fall of 2001 was a time of great anxiety as the United States and the world scrambled to respond to the 9/11 terrorist attacks. But while there was much uncertainty, few doubted the need for the United States and other rich countries to actively engage with the developing world. Founded in October 2001, CGD encountered a ready market for our core value proposition: *independent research & practical ideas for global prosperity.*

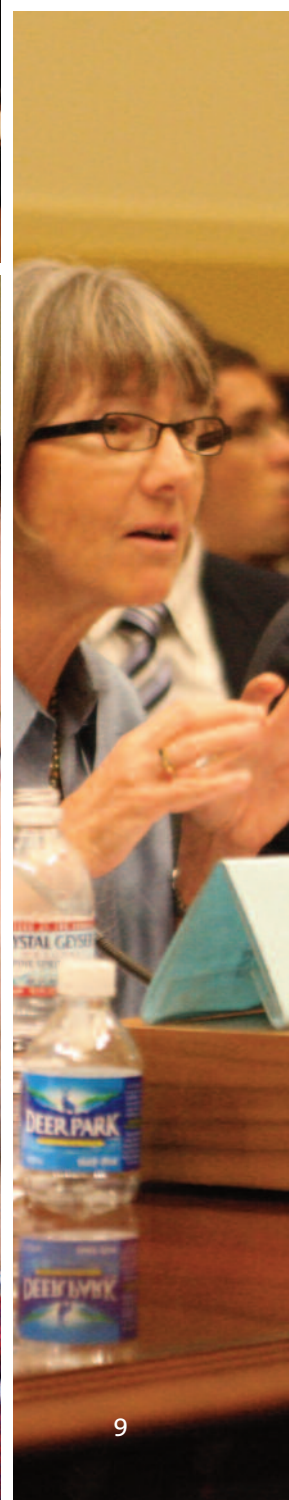
Our recipe for impact and influence involves thinking through the theory and practice of proposed policy innovations, including the political and bureaucratic context of implementation. Jeremy Weinstein, CGD's first postdoctoral fellow, who went on to work in the White House at the National Security Council, put this nicely. Policymakers, Weinstein said, rarely have time to think through new proposals. "CGD does something that no other think tank in Washington does for development; that is, they identify ideas that are actionable, do the thinking, work out the kinks, and then present the package in a way that policymakers can pick it up and run with it."

The approach seems to be working. In the Center's first decade, we have built an impressive list of accomplishments, including the following:

- Unleashing billions of dollars in debt relief for some of the world's most heavily indebted countries
- Accelerating development and delivery of an improved vaccine that is saving hundreds of thousands of children's lives
- Monitoring major new aid programs and providing timely independent critiques to improve performance
- Describing and then helping to close the "evaluation gap," the shocking lack of knowledge about what works and what doesn't in development
- Identifying key challenges and priorities for the incoming heads of multilateral institutions, making the institutions more effective
- Understanding the causes and consequences of state fragility and recommending appropriate policy interventions for capacity building in post-conflict and other fragile states
- Puncturing a rice price bubble that was putting the staple out of reach for millions of poor households and nudging the World Food Programme to begin modernizing procurement procedures in ways that cut costs and speed the delivery of food to hungry people
- Designing principles for sustainable, expanded financial access that were picked up in the G-20 Toronto Summit's declaration on Principles for Innovative Financial Inclusion
- Cleaning up the World Bank's Clean Tech Fund so that billions of dollars would be spent on commercial-scale renewable energy rather than massive coal projects
- Proposing a \$1 trillion international effort to help developing countries cope with the 2008 global financial crisis and then helping to make it a reality

These are tall claims. Read on.





Debt Relief



Debt relief is the quintessential CGD issue, one in which the policies and practices of the rich and powerful have far-reaching effects on poor people, where big ideas matter but result in action only with a deft mix of expert knowledge and savvy engagement in the policy process.

CGD's first book was inspired by the passionate concern of Edward Scott, our Board chair, for securing debt relief for the world's most heavily indebted countries. *Delivering on Debt Relief: From IMF Gold to a New Aid Architecture*, by Nancy Birdsall and John Williamson, offered a combination of informed analysis and fresh ideas that would become a hallmark of our work. Among the ideas that seemed unlikely then but have since come to pass: selling IMF gold to help finance debt relief.



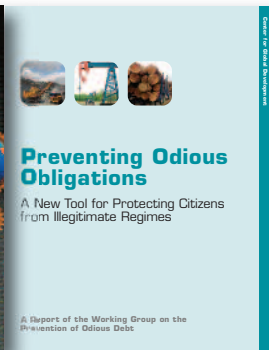
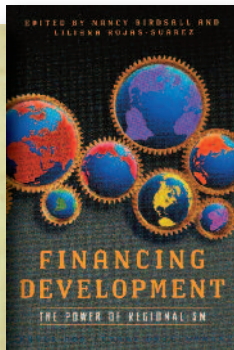
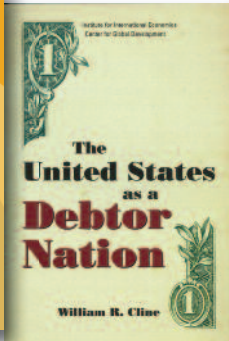
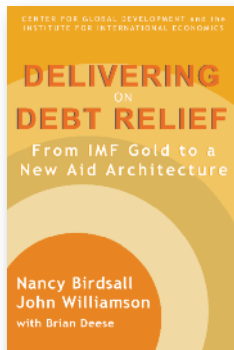
CGD worked closely with then Finance Minister Ngozi Okonjo-Iweala, now Managing Director at the World Bank, on Nigeria's landmark debt buyback in 2005.

Subsequent CGD research argued for giving grants instead of loans to the poorest countries to prevent debt buildup, an idea increasingly applied. CGD analysis and quiet engagement in the policy process also helped to make possible historic debt relief deals worth billions of dollars in Liberia and Nigeria, a tradition that continues with our work on Sudan.

Nigeria: At the request of finance minister Ngozi Okonjo-Iweala, CGD played a pivotal role in reducing Nigeria's external debt by \$30 billion. CGD provided analysis to enable Nigeria's change in classification within the World Bank, making it eligible for special Paris Club treatment. Todd Moss then proposed the first ever "discounted buyback" within the Paris Club. Under the 2005 agreement, Nigeria paid off its arrears and then bought back the remainder of its outstanding debt at 24 cents on the dollar. This paved the way for another buyback of its commercial debt, enabling Nigeria to almost wholly eliminate its debt burden.



In November 2010, Todd Moss testified before the House Financial Services Subcommittee on International Monetary Policy and Trade on "The Global Financial Crisis and Financial Reforms in Nigeria" with Arunma Oteh, Director General of Nigeria's Securities and Exchange Commission, and Sanusi Lamido Sanusi, Governor of the Central Bank of Nigeria.



Liberia: In 2006, facing daunting postwar challenges, Liberia had one of the highest debt burdens in the world. President Ellen Johnson Sirleaf tapped Steve Radelet to help shape debt relief and other economic strategies that enabled Liberia to negotiate, first, a deal with official creditors and then a commercial-debt buyback that retired \$1.2 billion in claims at a 97 percent discount. The historic 2009 agreement allowed Liberia to fully reengage with the international financial community.



Former Liberian Minister of Finance Antoinette Sayeh, currently Director of the IMF's Africa Department, with former CGD Senior Fellow Steve Radelet. Radelet worked closely with President Ellen Johnson Sirleaf, Sayeh, and other Liberian and multilateral officials on the 2009 Liberian debt buyback deal.



Ben Leo greets IMF First Deputy Managing Director John Lipsky at the CGD event "Liberia: Life after Debt" with Liberian ministers Augustine Ngafuan, Finance, and Amara Konneh, Planning and Economic Affairs. Leo's 2010 paper, "Sudan Debt Dynamics," provides extensive analysis and information for successful debt negotiations and a peaceful secession of Southern Sudan.



CGD's Working Group on Prevention of Odious Debt co-chairs Michael Kremer, Gates Professor of Developing Societies at Harvard University; John Williamson, Fellow at the Peterson Institute and CGD; and Seema Jayachandran, Assistant Professor at Stanford University. The working group's report presents a policy proposal for a global lending and contracts embargo to be declared against corrupt, illegitimate regimes.



David Roodman speaking on a panel at CGD's day-long conference, "Whatever Happened to the Jubilee?" with Lawrence MacDonald; Jamie Drummond, ONE; Rev. Séamus Finn, US Oblate JPIC Office; Aart Kray, World Bank; Axel von Trotsenburg, World Bank; and Neil Watkins, formerly with Jubilee USA.

Advance Market Commitments for Vaccines



In December 2010, children in Nicaragua became among the first in the world to receive an improved pneumococcal vaccine to protect them against strains of pneumonia, meningitis, and sepsis common in poor countries. The development and delivery of the life-saving vaccine was greatly accelerated by a new type of incentive financing—the Advance Market Commitment (AMC)—incubated at the Center for Global Development.

The idea was first proposed by CGD non-resident fellow Michael Kremer. It was elaborated in a 2005 CGD working group report led by Ruth Levine, *Making Markets for Vaccines: Ideas to Action*, and then nurtured by the GAVI Alliance, the World Bank, and others. It became reality with the launch of a \$1.5 billion pilot project at a G-8 finance ministers meeting in Italy in 2009. Sponsors included Canada, Russia, Norway, and the Bill & Melinda Gates Foundation.

By the end of 2012, an estimated 14 million children in 19 countries will be protected by the improved vaccine, and by 2015, 446,000 child deaths will have been averted as a result of the accelerated immunizations made possible by the AMC.



In June 2009, Finance Ministers of Italy, the United Kingdom, Canada, Russia, and Norway, along with the Bill & Melinda Gates Foundation and GAVI Alliance partners the World Bank, UNICEF, and the World Health Organization, committed \$1.5 billion to launch a pilot program based on the proposal by the Advance Market Commitment Working Group.



As proposed in CGD's AMC blueprint, the sponsors created a market where none existed before, and manufacturers responded by building capacity to meet the demand, guaranteeing a 10-year supply at a fraction of the non-AMC price. An evaluation is underway, but it's already clear that the AMC should be seriously considered for vaccines for other diseases, such as malaria (the example in CGD's report) and HIV/AIDS.

"The CGD working group showed how an AMC could actually work in practice, and the Center's policy engagement was crucial in moving it from ideas to action," said Amie Batson, a member of the AMC working group and deputy assistant administrator for global health at USAID.

The idea of an AMC is now widely understood and efforts are underway to apply similar mechanisms in sectors such as clean energy and agricultural innovation.



Ruth Levine testifying before the Senate Committee on Foreign Relations at a March 2006 hearing called by Senator Richard Lugar to find ways to improve the effectiveness of aid. Levine testified along with Adam Lerrick, Carnegie Mellon University (middle), and Bill Easterly, New York University (far right).





Amie Batson, then at the World Bank and now Deputy Assistant Administrator for Global Health at USAID, with Ruth Levine. Batson participated in the Making Markets for Vaccines Working Group chaired by Levine and worked on vaccine financing and development at the World Bank, WHO, and UNICEF.



Michael Kremer, chair of the Making Markets for Vaccines Working Group, talks with Rick Klausner, Bill & Melinda Gates Foundation, and working group member Peter Hutt, Covington & Burling, at the April 2005 event launching the working group's report, *Making Markets for Vaccines: Ideas to Action*.



AMC Working Group co-chair Alice Albright, formerly of The Vaccine Fund and currently Executive Vice President and COO at the U.S. Export-Import Bank, speaks with Dr. Orin Levine, Executive Director of PneumoADIP at Johns Hopkins and Dr. Bruce Gellin, Director of The National Vaccine Program Office, following the launch of the working group's report in April 2005.



Monitoring Major New Aid Initiatives



When it comes to aid effectiveness, practice can be as important as policy proclamations. With major new aid initiatives, practices are often malleable, so informed critiques to bring them in line with principles of aid effectiveness can have great traction. CGD's first decade coincided with the launch of several major new initiatives, notably the U.S. Millennium Challenge Account (MCA) and an unprecedented surge of aid to address the HIV/AIDS pandemic.

The Center's work on the MCA began with Steve Radelet's 2003 book, *Challenging Foreign Aid*, which set forth what became the guiding premises for the MCA. Launched in 2005 and led by Sheila Herrling, CGD's MCA Monitor provides just-in-time analysis on issues such as country selection, program implementation, and adherence to the MCA's core principle of transparent, nonpolitical aid allocation. Based on the Monitor's strong reputation, Herrling was asked to lead President Obama's transition team's work on the Millennium Challenge Corp. (MCC), the implementing body for the MCA, and later became MCC vice president of policy and evaluation. Radelet, meanwhile, became a senior advisor to Secretary of State Hillary Clinton and subsequently chief economist at USAID, the first in many years.



The HIV/AIDS Monitor, led by Nandini Oommen, focused on the three biggest HIV/AIDS donors: the U.S. President's Emergency Plan for AIDS Relief (PEPFAR), the Global Fund to Fight AIDS, Tuberculosis and Malaria, and the World Bank's Africa Multi-Country AIDS Program. The HIV/AIDS Monitor influenced all three to make key changes such as increasing data disclosure. President Obama's successor initiative to PEPFAR, the Global Health Initiative, is explicitly built on key HIV/AIDS Monitor recommendations: partner with national governments, reduce the reporting burden for recipients, and focus on women and girls.



Ethiopia's Minister of Health Tedros Adhanom Ghebreyesus (far right) provided remarks at the CGD event "What Is Country Ownership Anyway? Rethinking Global Health Partnerships." He is pictured here with CGD Board members Edward Scott and Kassy Kebede, and Tesfaye Yilma, Chargé d'Affaires of the Embassy of Ethiopia.



CGD Board member and former USAID Administrator Peter McPherson talks with MCC CEO Daniel Yohannes and Nancy Birdsall at a January 2010 CGD policy breakfast shortly after Yohannes's confirmation.



Former CGD Senior Fellow Steve Radelet, President Nancy Birdsall, and former Treasury Secretary Paul O'Neill on a panel at a 2002 CGD event on the Millennium Challenge Account. Analysis by CGD experts at events such as this and through papers, books, and blogs laid the groundwork for CGD's MCA Monitor.



In addition, CGD has helped to build a growing movement to re-imagine and reform U.S. foreign assistance. CGD provided much of the thinking and analysis in the early days of the Modernizing Foreign Assistance Network, a coalition of international development experts, and Radelet served as one of the first co-chairs. Herring and Radelet's chapter in *The White House and the World* made the case for reform and detailed the steps needed to overhaul the aid system. Their advice was sought for the Presidential Study Directive on U.S. Global Development Policy, the Quadrennial Diplomacy and Development Review, congressional reviews, and House and Senate legislative efforts to reform foreign aid, including an effort to rewrite the 1961 Foreign Assistance Act.



Nandini Oomman talks with members of the HIV/AIDS Monitor team Freddie Ssengooba, Principal Investigator, Uganda, and William Okedi, Field Director, Kenya, on a visit to an AIDS treatment clinic in Kampala, Uganda, which is supported in part by PEPFAR and the Global Fund.



Steve Radelet was an inaugural chair of MFAN, a group formed to analyze and provide opinions on the reform of the mission, mandate, and organizational structure of U.S. foreign assistance. Pictured here with Howard Berman (D-CA), then Chairman of the House Foreign Affairs Committee (third from left), are MFAN members Carol Lancaster, George Ingram, David Beckmann, Gayle Smith, and Radelet.



Sheila Herring directed CGD's MCA Monitor from its inception in 2005 through its transition to the Rethinking U.S. Foreign Assistance program. In February 2010, she became Vice President for Policy and International Relations at the MCC.



Closing the Evaluation Gap



Trillions of dollars are spent each year on development projects around the world, mostly by developing countries themselves. Relatively little is spent, however, on assessing the impact of these efforts. Shockingly, the story is much the same for development aid provided by outsiders. Overall, the development industry has been appallingly weak at learning about what does and doesn't work. CGD launched a movement that is changing that.

One of CGD's first initiatives, the What Works Working Group, addressed this need in global health by publishing *Millions Saved*, a compendium of 17 proven, large-scale successes in global health. Led by Ruth Levine, the report helped strengthen the consensus for investments in global health and became required reading in more than 60 universities worldwide.

Recognizing that development organizations have little incentive to assess their impact—and even less to document failures—Levine then launched the Evaluation Gap Working Group to propose ways to strengthen such learning. The group's report included two recommendations: strengthen in-house evaluation efforts and create a new, independent organization to identify key questions, establish rigorous standards, and sponsor independent studies.

In response to requests from potential backers of the proposed new organization, report co-author Bill Savedoff led the way in bringing it to life by lining up support from additional sponsors. In 2009, the International Initiative for Impact Evaluation (3ie) was born.



In February 2007, CGD convened a meeting at the Rockefeller Foundation conference center in Bellagio, Italy to design a new entity for impact evaluation based on the recommendations of the CGD Evaluation Gap Working Group. From left to right: Sulley Gariba, Institute for Policy Alternatives, Ghana; Smita Singh, Hewlett Foundation; Francois Bates, AFDB; V.K. Bhatia, Planning Commission of India; Hector Peña-Baca, Ministry of Health Mexico; Bill Savedoff, CGD; Bram van Ojik, Dutch Ministry of Foreign Affairs; Jessica Gottlieb, CGD; Stefano Bertozzi, National Institute of Public Health of Mexico; Ruth Levine, CGD; Jeremy Clarke, DfID; Margaret Kakande, Ugandan Ministry of Finance; and Hap Carr, MCC.



Bill Savedoff, and 3ie Deputy Director Marie Gaarder during a panel discussion on conditional cash transfers and health at the Center's day-long conference "Closing the Evaluation Gap: 3ie One Year On" in May 2010.

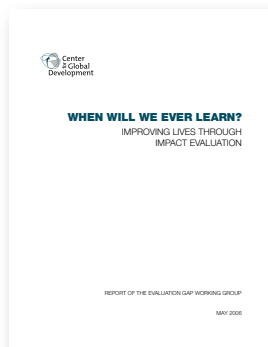


"Today, evaluation is being taken much more seriously, and 3ie is supported by dozens of member organizations, including governments, multilateral agencies, and philanthropic foundations," says Savedoff. "3ie is helping developing countries build evaluation into their programs and policymaking and has committed \$26.5 million to 66 new studies. I'm proud to have been a part of CGD's effort to help close the evaluation gap."

CGD continues to promote better impact evaluations, through a regular Evaluation Gap newsletter and through new work by Michael Clemens raising tough questions about the evaluation approach of the Millennium Villages Project, a high-profile, multimillion dollar project of Columbia University's Earth Institute across several countries in Africa.



Gene Sperling talks with Nancy Birdsall at the 2007 launch of the CGD book *Inexcusable Absence*, which addresses the lack of educational opportunities for girls. Former Rep. Earl Pomeroy (D-ND), far right, provided remarks at the launch.



3ie Executive Director Howard White giving the keynote address at CGD's day-long conference "Closing the Evaluation Gap: 3ie One Year On."



Ruth Levine, former CGD Vice President of Programs and Senior Fellow; Suman Bery, Director-General, National Council of Applied Economic Research, New Delhi; and Rajat Gupta, former Managing Director, McKinsey & Co., at an April 2006 consultation meeting in New Delhi, India.



Leadership Transitions at International Organizations



CGD reports on leadership transitions in international institutions have been remarkably influential. A CGD expert typically recruits a co-chair and a diverse working group to prepare such reports. The group identifies key challenges and offers practical recommendations to the incoming leader—and often to the institution’s board and other stakeholders.

Incoming leaders have usually welcomed the reports, sometimes endorsing them as blueprints for reform and publicly committing to implement CGD recommendations. The reports have been especially influential with regional development banks and specialized agencies such as UNAIDS and the Global Fund. Less often in the spotlight than the World Bank and IMF, these institutions are responsible for disbursing billions of dollars in assistance, yet their work is rarely subject to critical analysis. CGD reports fill a vacuum and often achieve surprising traction.

Impressed with leadership transition reports on the World Bank and the Inter-American Development Bank, Donald Kaberuka requested a similar study of the African Development Bank (AfDB) when he was named president. Todd Moss and Dennis de Tray convened a working group that offered bold ideas for making the AfDB the continent’s leading financial institution. Launched at the bank’s headquarters in Tunisia, the report was well received by board and management.



Paul Martin, former Canadian Prime Minister and co-chair of the Independent High Level Panel on the African Development Bank, discussed the panel’s report and recommendations at a CGD event in May 2008.

“CGD is a leading innovator of development thinking,” said Kaberuka. “Their working group’s taking a hard look at the future of the African Development Bank was extremely useful for us.”

In 2010, Moss prepared a report card that found the bank had aggressively implemented the three key recommendations for management: focus on growth, shift the portfolio to infrastructure, and become a powerful voice for Africa in the international arena. Shareholders had done less well on trimming the bank’s many mandates, reducing the tendency of the board to micromanage, and resolving the question about where the bank should be headquartered.

CGD continues to track progress—or the lack of it—at other institutions that have been the subject of our reports.



Nancy Birdsall walks with World Bank President Bob Zoellick at the 2007 CGD conference “The World Bank: What Should Its Future Be?” Zoellick spoke at this conference on the bank’s potential contributions to climate change and framed the bank’s role in climate change and other areas as being about more than traditional project-based lending.





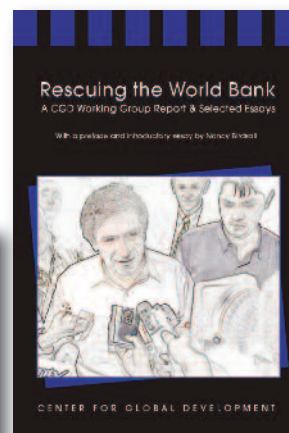
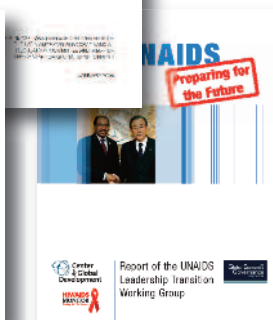
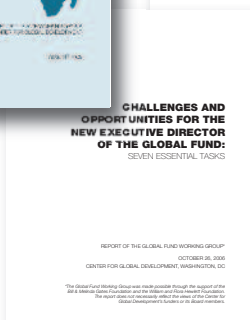
Members of the African Development Bank Working Group Todd Moss, Dennis de Tray, then CGD Vice President, and Papa Ndiaye, AFIG Funds, launch the report *Building Africa's Development Bank: Six Recommendations for the AfDB and its Shareholders* on September 7, 2006 in Tunis with AfDB President Donald Kaberuka.



Early in 2006, CGD launched *A New Era at the Inter-American Development Bank*. The report, by CGD and the Latin American Shadow Financial Regulatory Committee (CLAAF), offered recommendations for newly appointed IADB President Luis Alberto Moreno (second from right) pictured here with (from L to R) Roberto Zahler, former President of the Central Bank of Chile, Nancy Birdsall, and Lilianna Rojas-Suarez.



Former Mexican President Ernesto Zedillo at the CGD release of the report of a high-level commission on World Bank governance headed by Zedillo. The report, *Repowering the World Bank for the 21st Century*, which offers recommendations for modernizing the bank, was published by the Yale Center for the Study of Globalization.

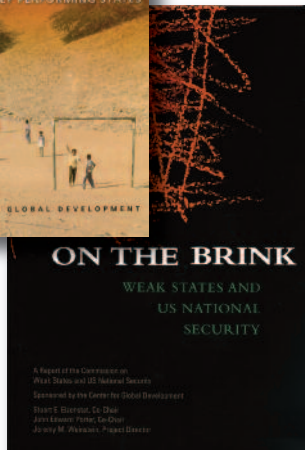
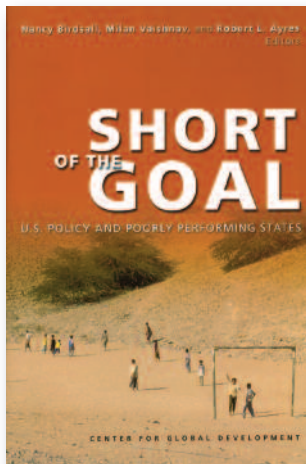


What to Do About Fragile States?



The September 2001 terrorist attacks focused U.S. and other rich-world attention on the seemingly intractable problems of fragile states. Policymakers suddenly believed what development advocates had been saying for years: what happens there matters here. Besides the fear that terrorists could exploit collapsed states as safe havens (as the 9/11 plotters had done in Afghanistan), there was fresh awareness that other ills (high-seas piracy, drug production and trafficking, the incubation of new epidemics) could spread quickly from weak and fragile states to harm the citizens of the world's richest and most powerful nations.

In response, CGD organized the Commission on Weak States and U.S. National Security, a bipartisan panel of 30 former government officials, senior business leaders, and academics, to examine links between weak states, development, and security. The Commission's report, *On the Brink*, helped shape reforms adopted by the Bush administration, including the creation of a new (but since poorly funded!) State Department office to coordinate U.S. responses to failed and war-torn countries.



Subsequent CGD work included the design and implementation of a practical response to the capacity constraints that hinder recovery in post-conflict and other fragile countries. With Steve Radelet's guidance, the Scott Family Liberia Fellows Program was created to temporarily place dozens of dedicated young professionals, including expatriate Liberians, as assistants to members of the Liberian Cabinet. The program is now being considered as a model for other countries, including post-earthquake Haiti.

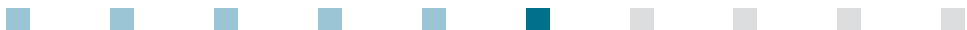
Our Pakistan study group is identifying approaches, such as paying ex-post for project performance and monitoring key development outcomes, which can increase government accountability and donor transparency. Alan Gelb has proposed a new approach to the disbursement of World Bank funds in weak and fragile states that would identify and reward successes, strengthening incentives for institution building.



Wren Elhaj, Molly Kinder, and Nancy Birdsall at a meeting of the CGD Study Group on a U.S. Development Strategy in Pakistan.



Vijaya Ramachandran leads CGD's fragile states program which examines how rich countries and other development actors can best assist fragile states and their citizens in the transition from immediate post-conflict assistance to long-term development investment.



“Understanding the causes and consequences of state fragility in order to determine appropriate policy interventions has guided our research in this important area,” says Vijaya Ramachandran, who leads CGD’s work on the topic. “We remain committed to finding better solutions, including identifying turning points that signal when to shift from post-conflict to longer-term development of the state, not only for the sake of that nation’s people, but for their immediate neighbors and the connected global community.”



Mark Malloch-Brown, then Administrator, United Nations Programme, and Stewart Patrick, then CGD Research Fellow and Co-Chair of the Commission on Weak States and U.S. National Security, at the launch of the commission’s report, *On the Brink: Weak States and U.S. National Security*, in 2004.



Research Professor at the University of New South Wales and CGD Visiting Fellow Satish Chand’s research focuses on post-conflict rebuilding and on the particular development challenges faced by small island states.



In October 2010, CGD hosted Pakistan’s Finance Minister Abdul Hafeez Shaikh and David Lipton, former Under Secretary of the Treasury for International Affairs and currently Head of Global Country Risk Management at Citigroup, for a policy breakfast.



Oeindrila Dube, Assistant Professor in Politics and Economics at New York University and CGD Non-Resident Fellow, spent a year at CGD as a Postdoctoral Fellow. Her research focuses on the political economy of conflict and development, including the causes and consequences of civil war.

Food Security, Agriculture, and Trade



Food security is a growing concern in the 21st century, threatened by declining productivity, rising demand, and increased extreme weather events due to climate change. Crops for biofuels and for livestock feed (to meet the demand for meat from an emerging global middle class) compete with food staples for scarce land and water. Meanwhile, the Doha Round of trade talks, which launched in 2001 with a focus on reforming rich countries' agricultural policies, is moribund.

"Poor people spend a big chunk of their income on food, so sudden price hikes can be devastating for them," says Kimberly Elliott, author of *Delivering on Doha: Farm Trade and the Poor*. "At the same time, agriculture is an important source of income for many poor people. Sound international food policies and practices are crucial to their well-being."

Elliott and non-resident fellows Jenny Aker, Nora Lustig, and Peter Timmer have pushed for better international food and agricultural policies, even as they sought out and publicized opportunities to improve practices within the existing international arrangements.

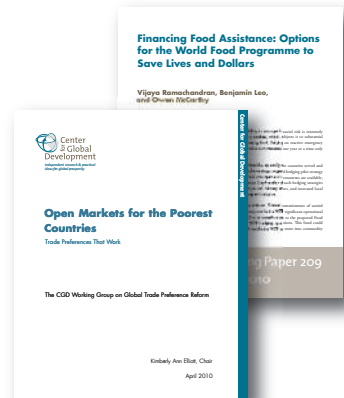
In 2008, CGD helped deflate a rice-price bubble that threatened to put the staple out of reach for millions of poor households. Prices had skyrocketed even as Japanese warehouses bulged with 1.5 million tons of imported rice that Japan did not want but could not re-export without U.S. permission. With research from Timmer and market intelligence from rice-trade expert Tom Slayton, CGD won U.S. approval for the Japanese to sell the rice. As awareness of the Japanese stockpile spread, global rice prices fell 25 percent in just two weeks.



Kim Elliott, chair of the Global Trade Preference Reform Working Group, with working group members Gawain Kripke, Oxfam America, and Bill Lane, Caterpillar, at the 2010 launch of the working group's report, *Open Markets for the Poorest Countries: Trade Preferences That Work*.



Vijaya Ramachandran's working paper, "Financing Food Assistance: Options for the World Food Programme to Save Lives and Dollars," co-authored with Ben Leo and Owen McCarthy, analyzes WFP's ability to manage financial risk and suggests hedging strategies to increase financial predictability, improve delivery times, and increase local and regional trade.

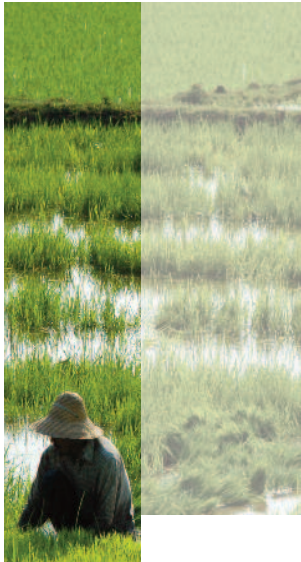


In early 2010, Vijaya Ramachandran and Ben Leo investigated how the World Food Programme (WFP) could use commodity futures to help smooth procurement and hedge against price increases. They recommended a pilot program of purchasing futures and options contracts at commodities exchanges in southern Africa. Late that year, the WFP announced a new \$550 million financing facility for advance purchases to shorten response times and reduce the cost of delivering food.

Elliott, meanwhile, has written an influential paper on the potential of applying Advance Market Commitments and other pull mechanisms to boost agricultural innovation in, and adapted for, developing countries.



Norman Borlaug, who won the Nobel Peace Prize in 1970 for his work developing short, fertilizer-responsive grain varieties that became the basis of the Green Revolution, delivering the keynote address at a September 2006 CGD event, "The Prospects of Bringing a Green Revolution to Africa."



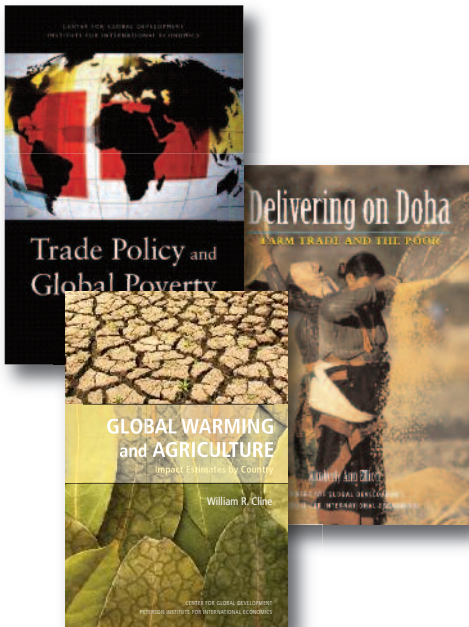
CGD Non-Resident Fellow Nora Lustig, Samuel Z. Stone Professor of Latin American Economics at Tulane University and Non-Resident Fellow at the Inter-American Dialogue, has authored several CGD working papers on coping with rising food prices.



The 2005 event "Poverty Reduction As If Rural People Mattered," co-sponsored by CGD and IFAD, featured Peter Timmer, CGD Non-Resident Fellow; M. Peter McPherson, Founding Co-Chair, Partnership to Cut Hunger and Poverty in Africa, and CGD Board member; and Gary Howe, Chief Development Strategist, IFAD, discussing methods for achieving rural development.



Jenny Aker's work focuses on the impact of information on agricultural markets, food security, and literacy. In one of Aker's working papers, "Does Digital Divide or Provide? The Impact of Cell Phones on Grain Markets in Niger," she finds that the introduction of mobile phones is associated with a 20 percent reduction in grain-price differences across markets.



Increasing Sustainable Financial Access



Access to financial services—secure savings, credit, insurance, and even such seemingly simple things as checking accounts—is critical to equitable growth and poverty reduction. CGD is shaping the international agenda on ways to increase access to financial services for poor people and small and medium businesses in the developing world, while avoiding credit bubbles that can have a powerful negative effect on growth and poverty reduction.

A 2009 CGD task force report led by Liliانا Rojas-Suarez, with co-chairs Stijn Claessens and Patrick Honohan, developed principles for regulators to ensure that financial access for the poor and middle class is not sacrificed on the altar of stability and showed why access and stability ultimately reinforce each other.

The report, which recommended improvements in data collection, monitoring, and evaluation to achieve these ends, was presented at the World Bank/IMF annual meetings in Istanbul in 2009, where Princess Maxima of the Netherlands, UN special advocate for inclusive finance, praised it for “offering a clear set of guidelines for policymakers in the financial inclusion arena.”

Added the Princess: “I am sure that these policy principles, together with the UN key messages, will be widely used when setting up national strategies.” In 2010, the G-20 Summit in Toronto adopted nine “Principles for Innovative Financial Inclusion” that closely mirrored those of the CGD task force.

Of course, the best known effort to increase poor people’s access to finance is microfinance. International awareness of the movement reached an apogee in 2006 when Muhammed Yunus and the Grameen Bank he founded were awarded the Nobel Peace Prize. By 2010, however, the pendulum had swung from applause to opprobrium amid stories in southern India of microfinance borrowers driven to suicide.



David Roodman talks with Marjolaine Nicod, Senior Policy Advisor on Aid Effectiveness at the OECD, and the Hon. Bob McMullan, Australia’s former Parliamentary Secretary for International Development Assistance, at a conference hosted by the Lowy Institute to stimulate international interest in the Asia-Pacific region and discuss how to accelerate progress toward the MDGs in the region.



A 2009 meeting of the access to finance task force with Jonathan Morduch, Professor of Public Policy and Economics, New York University; Elisabeth Rhyne, Managing Director, Center for Financial Inclusion, Accion International; and co-chairs Patrick Honohan, then Professor at Trinity College, now Ireland’s Central Bank Governor; Liliانا Rojas-Suarez; and Stijn Claessens, Assistant Director in the Research Department of the IMF.



Throughout it all, David Roodman offered research, reporting, and analysis that is both scholarly and lively through a unique “open book blog.” In hundreds of posts, Roodman shared his intellectual journey (and draft chapters) of his forthcoming book: *Due Diligence: An Impertinent Inquiry into Microfinance*.

“I learned a lot by combining my research with writing a book in public,” says Roodman. “Microfinance has made life less hard for millions of poor people, but the movement’s claims have sometimes been oversold. Savings and other financial services like insurance may be more important for the poor than credit.”



Late in 2010 CGD hosted “The Global Implications of India’s Microcredit Crisis” to discuss the microfinance crisis unfolding in Andhra Pradesh. The panel of experts included Swaminathan Aiyar, Consulting Editor, *Economic Times*; and Liliana Rojas-Suarez.



Elizabeth Littlefield, former head of CGAP, a microfinance research center based at the World Bank, and current head of OPIC, at the 2007 CGD event, “Eyes Beyond the Prize: Envisioning the Next Thirty Years of Microfinance.” Littlefield and other leading thinkers on microfinance explored the future of financial services for the poor following the awarding of the Nobel Peace Prize to Grameen Bank and Muhammad Yunus.



Access to financial services task force members Ishtat Husain, former Governor, State Bank of Pakistan, and Nachiket Mor, President, ICICI Foundation for Inclusive Growth, discuss the task force’s recommendations during a meeting at CGD’s offices in 2009.



In the fall of 2010, David Roodman visited Mudimyal, a village in Andhra Pradesh, to talk with members of the village’s microfinance self-help groups and observe a meeting of the Mudimyal Village Organization.

Cleaning Up the Clean Tech Fund



To avoid the worst effects of climate change, global energy production must shift rapidly to renewable and other low-carbon sources. A multibillion-dollar Clean Technology Fund (CTF) managed by the World Bank was wasting scarce public resources by funding supercritical coal projects. Though such plants are more efficient than conventional coal plants, they still produce huge volumes of CO₂. And, besides, the private sector was already financing them.

Senior fellow David Wheeler and colleagues at CGD pressed the World Bank to stop funding coal projects and to instead back industrial-scale renewables such as concentrated solar. The Center's efforts combined solid research and practical policy recommendations with an outreach campaign that included congressional testimony, alliances with NGOs, and direct communication with World Bank president Robert Zoellick and bank management.



Environmental activists protesting the World Bank's Clean Technology Fund outside of bank headquarters in Washington, D.C.

Wheeler told the U.S. Congress that the World Bank should meet three conditions to win U.S. support for the CTF: adoption of carbon accounting (considering future emissions as part of project assessment), a clear clean-technology focus for the Fund, and avoidance of future coal-fired power projects. NGOs drew on CGD's research to pressure the World Bank Group to reduce its investments in coal-fired power.



In September 2008, CGD and the World Bank hosted a high-level consultation to discuss the World Bank document, *Development and Climate Change: A Strategic Framework for the World Bank Group*. Panelists included Scott Barrett, Johns Hopkins SAIS; Chris Flavin, Worldwatch Institute; Beth Urbanas, Treasury Department; Michele de Nevers, World Bank; David Wheeler; and Gary Stiggins, World Bank.



Lawrence MacDonald discusses CGD's climate work with Jonathan Lash, President of the World Resources Institute.



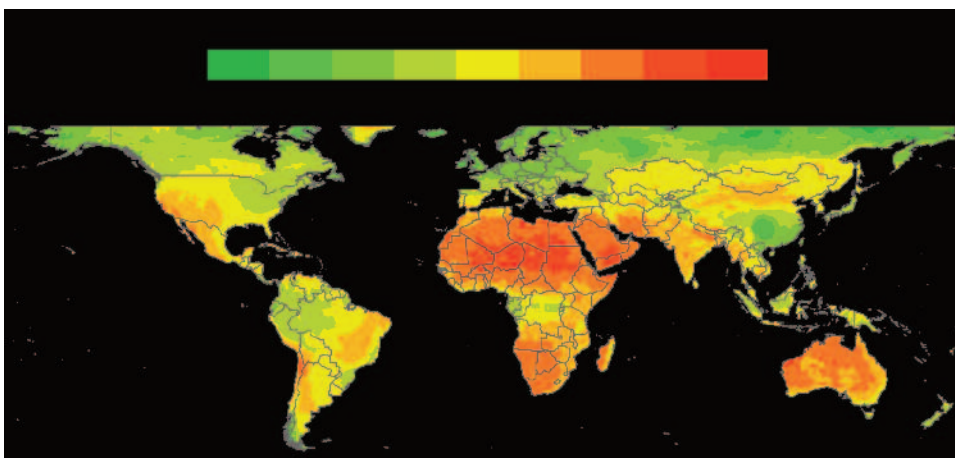
These efforts made rapid change possible following the 2008 U.S. elections. A congressional coalition backed Wheeler’s three conditions and the House of Representatives zeroed out a proposed \$400 million contribution to the CTF because the bank had not met them. In response, senior bank management rushed to promote a huge new solar power project in North Africa and an ambitious solar pilot program in South Africa that drew on CGD research. Congress restored funding in 2009, contingent on continued progress. By the spring of 2010, World Bank management had also begun to institute carbon accounting and decided to avoid most coal-fired power projects in the future, in effect meeting all three conditions Wheeler had proposed.



David Wheeler testifying before the House Financial Services Subcommittee on Domestic and International Policy, Trade, and Technology on the U.S. contribution to a World Bank Clean Technology Fund in June 2008.



Jacob Scher, CGD Board member and Senior Attorney at the Natural Resources Defense Council, talks to Tim Wirth, President of the UN Foundation and the Better World Fund, following Wirth's remarks at "The Human Footprint on Climate," a discussion on population and climate with CGD's David Wheeler and Rachel Nugent.



Mobilizing \$1 Trillion for the Global Financial Crisis



The 2008 financial crisis was caused by decisions in New York and Washington, D.C., but the impact quickly spread around the world, threatening the livelihoods of poor people tied to U.S. and European markets through channels ranging from exports to tourism and remittances. Fears were high that the crisis could trigger a global collapse in trade and financial flows comparable to the Great Depression of the 1930s.

Nancy Birdsall drafted a CGD Note calling on rich countries and multilateral development banks to make available \$1 trillion to help developing and emerging-market countries weather the storm. Drawing on her understanding of the impacts of financial crises on the developing world, and her knowledge of the international financial institutions, Birdsall showed in a few brief pages why such an infusion of funding would benefit all concerned, and how it could be achieved.

Ahead of the April 2009 G-20 Summit in London, UN Secretary-General Ban Ki-moon picked up the idea, and the G-20 included the pledge in their communiqué. But contributions from other countries to the global stimulus package would only proceed if the U.S. Congress authorized Washington's contribution. Birdsall was asked to testify before Congress, where she endorsed the administration's request to make the funds available through increased U.S. backing of the International Monetary Fund.



IMF Managing Director Dominique Strauss-Kahn discusses the outlook for IMF reforms and developing countries in the face of the global financial crisis during his speech, "Helping Low-Income Countries Cope with the Global Financial Crisis," at CGD in September 2009.

The bill passed, clearing the way for \$1.1 trillion in accelerated disbursements from the IMF and multilateral development banks, funding that helped to calm fearful markets and boosted developing countries' ability to cope with the crisis.



Nancy Birdsall and African Development Bank President Donald Kaberuka speak to an attendee at the "G-20 and Global Development" event. CGD, ONE, and the University of Pittsburgh Graduate School of Public and International Affairs co-hosted the panel on the eve of the Pittsburgh Summit to discuss the G-20 response to the global economic crisis and the challenges ahead with a focus on the world's poor.



U.S. Treasury Secretary Timothy Geithner, President Obama, and then British Prime Minister Gordon Brown at the 2009 G-20 Summit in London where G-20 leaders announced agreements to ensure that \$1.1 trillion would be available for developing countries to cope with the crisis.

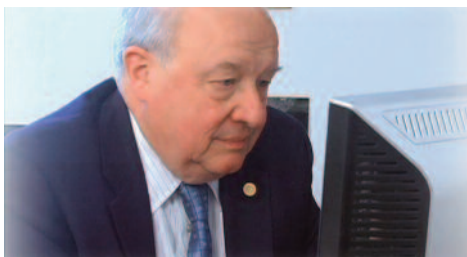


Nancy Birdsall with then Chairman of the House Financial Services Subcommittee on International Monetary Policy and Trade Gregory Meeks (D-NY) and fellow experts Simon Johnson, MIT, and Amar Bhattacharya, Intergovernmental Group of Twenty Four. Birdsall, Johnson, and Bhattacharya testified before the subcommittee. Birdsall called for the U.S. to support the IMF and push for its reform.






Lawrence MacDonold and Nancy Birdsall with Tim Adams, Managing Director of the Lindsey Group and former Under Secretary for International Affairs of Treasury, and Francis Fukuyama, then Director of the International Development Program at Johns Hopkins SAIS, on a panel following Birdsall's speech, "The Crisis Next Time: U.S. Leadership at the Pittsburgh G-20 and Beyond."



Following congressional authorization of the U.S. contribution to the G-20 pledge, Ted Truman, a Senior Fellow at the Peterson Institute then working at the U.S. Treasury on emergency measures to address the crisis, sent Birdsall an e-mail: "Dear Nancy: You got your \$1 trillion, and more."



Nancy Birdsall testifying before the House Foreign Affairs Subcommittee on Terrorism, Nonproliferation and Trade with Terry Miller, Director of the Center for International Trade and Economics at the Heritage Foundation, and Roger Robinson Jr., President and CEO of Conflict Securities Advisory Group. In her testimony, Birdsall argued for U.S. support for the G-20 commitments to increase lending resources at the IMF.



How to Unlock the \$1 Trillion That Developing Countries Urgently Need to Cope with the Crisis

Nancy Birdsall*
Center for Global Development
February 2009

CGD Notes

The five billion people living in developing countries are innocent victims of the global economic crisis. Most live in countries with limited resources for stimulus packages, let alone for food stamps and unemployment insurance. This is true even in the many developing countries that have had responsible government and economic management for some two decades.

At the upcoming G-20 summit in London on April 2, we can hope that the world's richest countries will be clear on a coordinated fiscal stimulus and on new modes to ease protectionist pressures. No one disagrees that these are fundamental, the only question is how detailed and convincing the political leadership will be.

But finding and deploying resources for emerging market economies and the poorest countries must also be a top priority if human suffering and social disruption are to be avoided. With the International Labour Organization predicting that as many as 50 million jobs will be lost in the developing world, and the World Bank projecting zero growth in per-capita income in Africa, the livelihoods of as many as four billion people are at stake.

Already there have been dramatic withdrawals of capital from emerging markets and a drying up of credit, including trade finance. Remittances are declining as immigrants return home. As commodity prices and exports decline, most developing countries can expect big shortfalls in fiscal revenue this year, meaning that they will not be able to fund the costs of teachers and health workers, let alone their existing barebones safety-net programs.

The rich-world response has so far fallen short. President Obama and his administration have said little. Let us hope that this silence ends soon, given the new president's inaugural promise to "all other peoples and governments" that "we are ready to lead once more." UK Prime Minister Gordon Brown, who will host the April summit, has been more laudable, at least in rhetoric. And the official labor community and the international financial institutions have also weighed in—but, again, mostly with exhortations, lacking so far is a signal that they are ready to adjust the basic economic customs and regulations that stand in the way of an agile response.

World Bank President Robert Zoellick made a clear proposal for a "vulnerability fund" at 0.7 percent of rich countries' stimulus packages, or about \$1.5 billion for the world's poorest countries. This would require passing the cap on the bilateral donors—some of whom (Ireland, Italy, France) are already cutting their aid budgets. Japan, an exception to this trend, announced at Davos plans to increase its foreign assistance to poor Asian countries by \$1.7 billion over three years, perhaps Tokyo will put some of those promised resources into Zoellick's proposed new fund or into the Asian Development Bank. However, even if Zoellick's plan works, \$1.5 billion this year would be far from enough even for just the poorest countries; the fund is not meant to help emerging market economies at all.

*Birdsall, the president of the Center for Global Development, is the author, co-author, or editor of more than a dozen books and over 100 articles in scholarly journals and monographs. Her previous positions include serving as the executive vice president of the Inter-American Development Bank, the largest of the regional development banks, where she oversees a \$30 billion public and private loan portfolio.

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Looking Ahead

The world is a very different place from what it was when CGD was founded in 2001. This is partly because of development successes. The number of very poor countries is falling fast as more countries graduate to middle-income status. Big emerging-market countries are winning a larger voice in global affairs with, for example, the G-20 supplanting the G-8. And the quality of life, as measured by such things as life expectancy and access to education, is rising even in very poor countries that have managed little or no economic growth.

At the same time, there are new and daunting challenges. The new middle-income countries are still home to hundreds of millions of very poor people. Policies that CGD has championed, such as more open trade and migration, are a tough sell amid rich-world concerns about rising debt and high unemployment. Traditional approaches to foreign assistance face increased skepticism driven by tight budgets and doubts about the effectiveness of such programs. And the reality of runaway climate change and the challenges it poses for development are more evident with each passing season, even as the global consensus for meaningful action proves more elusive than ever.

It is precisely in these circumstances that CGD's special strengths can make a difference. The emergence of the G-20 has opened the global policy debate in ways that offer fresh traction for the Center's independent research & practical ideas for global prosperity. Tight budgets increase interest in our work on better (not just more) aid and a wide range of non-aid policies, such as do-no-harm practices, incentives for innovation, and better ways for the private sector to participate in the fight against global poverty and inequality. Our policy work on climate change and other global public goods is at the crucial nexus of finance and governance.

With our world-class staff, the credibility we have achieved in our first decade, an ever-widening network, and the support of our Board and funders, we are better positioned than ever to improve the policies of the rich and powerful in ways that make life less difficult and create new opportunities for the world's most disadvantaged—wherever the members of either group might be.

Predicting the scope and focus of CGD's work over the coming decade is an uncertain business. Our success is due in part to our ability to respond quickly with solid, innovative policy proposals as new needs arise. Nevertheless, here are 10 areas of inquiry that we are pursuing at the start of our second decade.





Breaking the Oil Curse with Cash



Oil discoveries across Africa and Asia are swelling the ranks of low-income petroleum producers. Ghana joined the oil and gas club in 2010; Cambodia, Papua New Guinea, Sierra Leone, Uganda, and others will join soon. These countries now face serious challenges of how to manage their new wealth and avoid the pernicious effects of the so-called resource curse.

Meanwhile, household cash transfers are attracting increased attention as an effective means for reducing poverty following high-profile successes in Brazil and Mexico. CGD's Oil2Cash Initiative puts these trends together as a way to better navigate the shoals of the resource curse.



The idea is not entirely new—Alaska provides direct payments of oil revenue dividends to its citizens while Mongolia and Bolivia are using resource revenue to fund special cash programs. But applying the idea of universal transfers as a means to improve governance and overcome the resource curse is an idea still evolving. CGD began work on this innovation with a 2004 Foreign Affairs article by Nancy Birdsall and Arvind Subramanian, "Saving Iraq from Its Oil." Todd Moss now leads CGD's efforts to develop a practical proposal for countries with new oil finds to put into practice.



Todd Moss is leading the Center's work on a proposal to use direct distribution of revenues to help combat the resource curse in countries with new oil discoveries. This effort builds on earlier work from CGD experts and others, including Alan Gelb's work on biometric identification as a mechanism to distribute cash transfers. Here, Gelb and Moss talk with Peter Lewis, Associate Professor and Director of the African Studies Program at Johns Hopkins SAIS.



“The idea is to distribute all or part of the oil revenue directly to citizens, then tax back a portion,” says Moss. “Direct distribution and taxation of the revenues creates incentives for citizens to serve as government watchdogs. And putting cash directly in the hands of households has been shown to reduce poverty.”

Critically, Moss adds, new technologies of biometric identification and mobile banking make low-cost, low-leakage cash transfers feasible. Moss, Alan Gelb, and other experts at CGD are working with civil society and policymakers in developing countries to foster discussion and debate in hopes of establishing a carefully monitored pilot program.



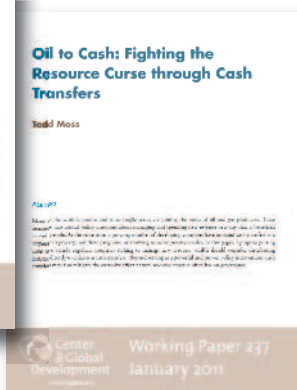
Alan Gelb who works on the development challenges of resource-rich countries and is leading the Center’s work on the use of biometric identification talks with Winney Schneidman, an expert on economic growth in sub-Saharan Africa at a CGD event.



Maxine Waters (D-CA), member of the House Financial Services Committee, greets CGD Visiting Fellow (on-leave) and presidential candidate in the 2011 Nigerian election Nuhu Ribadu following his May 2009 testimony, “Capital Loss and Corruption: The Example of Nigeria.” In this testimony, Ribadu discussed the negative effects of corruption on democracy and development and suggested ways that the U.S. could help put an end to corrupt practices.



Arvind Subramanian co-authored CGD’s early research on how developing countries can avoid the resource curse, including a 2004 article on Iraq oil with Nancy Birdsall. He continues to explore the conceptual and practical questions of using direct distribution of oil revenues under CGD’s Oil2Cash Initiative.



Forget Brain Drain—the Future Is Labor Mobility



In a rapidly globalizing world, goods and capital are increasingly free to move without regard to national borders and, with some important caveats, this is seen mostly as a good thing for development. Not so with people. Although migration has historically been one of the most powerful and certain means for poor people to escape poverty, until recently it has rarely been part of the global dialogue on development policy.

CGD is leading the movement to change that, first by including migration as a component in our Commitment to Development Index and then by publicizing a series of path-breaking working papers and paradigm-challenging books by non-resident fellows Lant Pritchett and Devesh Kapur.

“We have better data about the movement of toothbrushes than we have about the movement of people,” says Michael Clemens, who leads the Center’s work on labor mobility and has published research that challenges the notion of “brain drain.” The dearth of data, he adds, inhibits research that could provide the basis for better policies.



Ricardo Hausmann, Director of the Center for International Development at Harvard, and Lant Pritchett, Professor of the Practice of International Development and Director of the MPA/ID Program at the John F. Kennedy School of Government, at “Beyond the Fence: Research Lessons on How Immigration and Remittances Shape Development.” Pritchett is the author of *Let Their People Come: Breaking the Gridlock on Global Labor Mobility*.

To remedy this, Clemens led an international commission co-chaired by CGD board member Lawrence Summers and Patricia Santo-Tomas, the chairman of the board of the Development Bank of the Philippines. The commission recommended including questions about respondents’ migration history in all national censuses. It was endorsed by the Global Migration Group, which comprises the UN, the World Bank, and the International Organization for Migration, and is now used for training throughout the UN system.

The Center continues to seek policy openings for increasing labor mobility, for example, through expanded temporary worker programs and allocations of entry permits to victims of natural disasters. Clemens is collaborating with Paul Romer, a CGD non-resident fellow, to define key parameters of Romer’s visionary proposal for entirely new charter cities, with immigrant populations of ten million people or more, to be built on currently vacant land using the latest in environmentally sustainable energy, water, and other technologies.



Michael Clemens leads the Center’s Migration and Development initiative. Clemens focuses on the impact of migration on people from and within developing countries, highlighting the immense potential for positive development outcomes through increased labor mobility.





In September 2006, CGD convened a meeting with top migration experts to help design the Center's migration research agenda. Attendees included Dean Yang, University of Michigan, Nancy Birdsall, Michael Clemens, David McKenzie, World Bank Development Research Group, Devesh Kapur, Centre for Advanced Study of India, and Caglar Ozden, World Bank Development Research Group.



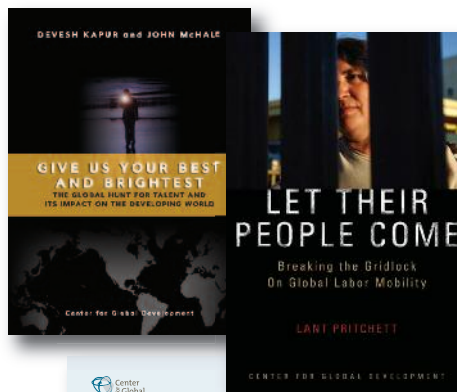
Michael Clemens, Antonio Spilimbergo, IMF Research Department, and Devesh Kapur, Director of the Centre for Advanced Study of India, at the CGD event "Beyond the Fence." Spilimbergo spoke about his work on the development impact of people going abroad for tertiary education in his paper "Democracy and Foreign Education."



David McKenzie, Senior Economist in the World Bank's Development Research Group, speaks with attendees, including former CGD Research Assistant Ehui Adovor, at a May 2009 CGD event, "Brain Drain or Gain: Examining International Migration," part of the "Demographics and Development in the 21st Century" series.



Migration Data Commission co-chairs Patricia Santo-Tomas, Chair of the Development Bank of the Philippines, and Lawrence Summers, CGD Board member, former Treasury Secretary under Clinton, and former Director of the National Economic Council in the Obama administration, at a commission meeting.



Aligning Incentives for Better Aid



Giving money away ought to be easy. Turns out that doing it in a way that actually fosters development is devilishly difficult and that the behavior of donors is at least as big a problem as that of the recipients. In response to growing demands for better aid—more efficient delivery and greater clarity on results—donors are experimenting with new disbursement arrangements, such as the EU’s incremental performance tranches, the GAVI Alliance’s payments per immunization, and the World Bank’s output-based aid pilots.

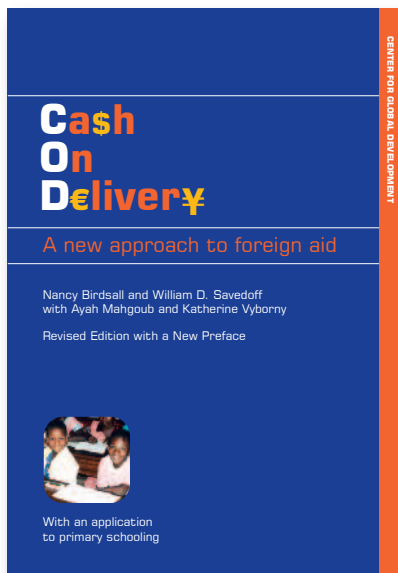


In June 2009 CGD launched *Performance Incentives for Global Health: Potential and Pitfalls*, by Rena Eichler, President, Broad Branch Associates, and Ruth Levine, then CGD Vice President and Senior Fellow, based on the findings of the Performance-Based Incentives Working Group. At the launch, experts participated in a discussion on the real-world application of performance incentives. Panelists included Karen Cavenaugh, USAID, Ferdinando Regalia, IADB, and Kavitha Viswanathan, World Bank.

The Center’s work has helped to shape these trends and includes our formative work on the design of the U.S. Millennium Challenge Account (and subsequent monitoring of its implementation) and Cash on Delivery Aid. COD Aid is a new pay-for-performance approach that would disburse aid on the basis of annually verified, incremental outcomes, such as \$200 for each additional child who completes primary school and takes a test.



In December 2009, then UK Shadow Minister for International Development, Andrew Mitchell visited CGD to discuss the UK Conservative Party’s development policy, including their just issued “green paper,” “One World Conservatism.” Mitchell is now the UK’s Secretary of State for International Development, and the British government is committed to piloting COD Aid.



Positive changes in developing countries reinforce these trends. Better education, technology, and political pluralism are increasing the ability of ordinary citizens to hold governments accountable. Biometrics and the rise of cash transfers open opportunities for new ways to target assistance, prevent money from leaking, and strengthen the bottom-up efforts that complement top-down policies.

CGD will remain at the forefront of the movement to better link aid to results. Funders will need rigorous technical work to identify suitable targets. They will also need political courage to be transparent about successes and failures and to insist on independent verification and evaluation. By continuing to push the new generation of pull mechanisms and performance-based aid, as well as initiatives such as Quality of Official Development Assistance (QuODA) and Closing the Evaluation Gap, CGD will bring new ideas to the ongoing challenge of aid effectiveness.



Bill Savedoff helped develop CGD's Cash on Delivery Aid approach to increase accountability and efficacy of aid. CGD is working with technical experts, potential official and private donors, and partner countries to design pilots of COD Aid.



Ayah Mahgoub discusses CGD's proposal for COD Aid at the March 2010 launch of the book.



During a visit to CGD in 2008, President Jakaya Kikwete of Tanzania discussed Tanzania's education and malaria control activities and the potential of COD Aid with CGD staff and guests. This was one of many early consultations CGD held with leaders from developing countries to determine the applicability and potential impact of COD Aid.



At the March 2010 launch of *Cash on Delivery: A New Approach to Foreign Aid*, panelists participated in a discussion moderated by Lawrence MacDonald. The panel featured Rakesh Rajani, Founder and Head, Twaweza; Michael Kremer, Gates Professor of Developing Societies at Harvard University; Mauro de Lorenzo, Vice President of Freedom and Free Enterprise, Templeton Foundation; and the book's co-authors Nancy Birdsall, Bill Savedoff, and Ayah Mahgoub.

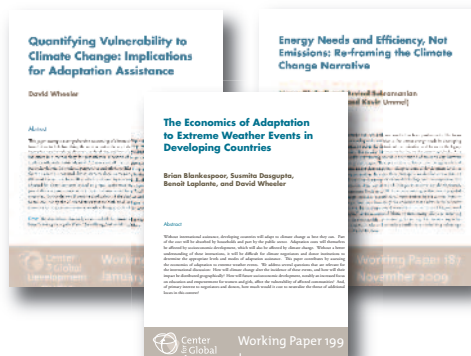


Addressing Climate Change: A Planetary Public Good



Addressing climate change—by building resilient societies and creating incentives to cut emissions—is the ultimate global public good. The necessary investments remain chronically underfunded, despite their urgency, because no single entity can capture their benefits. CGD’s climate work focuses on areas where we can uniquely add value through our understanding of global aid architecture and problems of the traditional donor system and our keen awareness of the potential of new actors in a multipolar world.

Senior fellow David Wheeler leads a climate change program that includes quantifying the expected impacts on poor countries, identifying ways developing countries can become more climate resilient, creating and disclosing new kinds of data to inform the policy dialogue and boost incentives for action, and devising practical policy ideas for financing and deploying low-carbon alternatives in poor countries.



A 2011 paper by Nancy Birdsall and Ben Leo, for example, considers the advantages and disadvantages—including the political plausibility—of four approaches to raise the hundreds of billions of dollars that the rich world has pledged for developing countries to produce low-carbon energy and to cope with the effects of climate change already under way. Among the options: utilization of IMF Special Drawing Rights (SDRs) to capitalize a pool of financing, backed by the possibility of IMF gold sales.



CGD Board members Jacob Scherr, Senior Attorney at the National Resources Defense Council (NRDC), and Tom Gibian, Chairman, Emerging Capital Partners, with Mark Tercek, President & CEO, The Nature Conservancy, and Claire Moran, Development Counsellor at the British Embassy, during a CGD breakfast with Paul Collier discussing Collier’s book, *The Plundered Planet*.



Arturo Sarukhan, Ambassador of Mexico to the United States, with Nancy Birdsall, speaking at an event on innovative proposals for climate financing convened by CGD and the Embassy of Mexico ahead of the 2010 World Bank/IMF Fall Meetings.



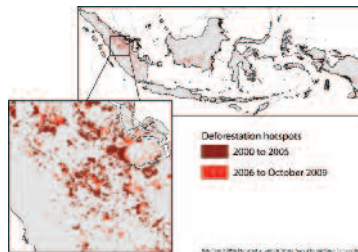
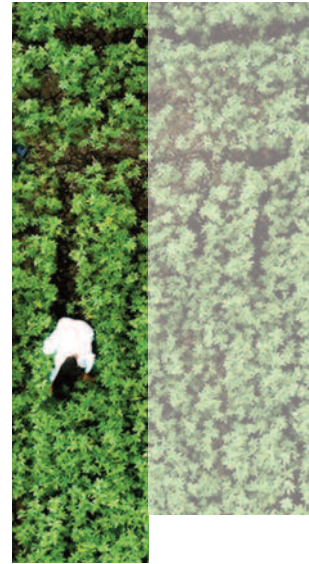
David Wheeler with Todd Stern, U.S. Special Envoy for Climate Change, and Lawrence MacDonald at a CGD breakfast on U.S. climate policy.



Wheeler, meanwhile, is creating a vulnerability index that draws on his own extensive research on extreme weather events and sea-level rise and on William Cline's CGD study on agricultural productivity loss. The index will provide comparative measures of overall climate vulnerability for 233 countries and island principalities on the basis of physical characteristics, per capita income, and other variables. By quantifying the vulnerabilities countries face, the index can help inform the allocation of climate adaptation assistance—including the billions that may be raised through the mechanisms explored in the Birdsall/Leo study.



Andrew Deutz, Director of International Relations at the Nature Conservancy, addresses attendees of a CGD policy breakfast with U.S. Special Envoy for Climate Change Todd Stern.



Arvind Subramanian has authored numerous working papers, blogs, and opinion pieces on climate change including a paper, "Energy Needs and Efficiency, Not Emissions: Re-framing the Climate Change Narrative," in which he and co-author Nancy Birdsall present an alternative to emissions targets by emphasizing basic energy needs and the equality of access to energy.



Michele de Nevers, senior manager of the World Bank's Environment Department, and David Wheeler during a 2008 high-level consultation of a strategic climate framework for the World Bank with experts from leading development and environmental research organizations.



Romarc Roignan, Senior Counselor for Multilateral Affairs and the Environment, Embassy of France; Christian Masset, Under Secretary for Global Affairs and International Development, French Ministry of Foreign Affairs; Andrew Steer, Special Envoy on Climate Change, World Bank; and Nigel Purvis, President, Climate Advisers, at a CGD climate financing session in October 2010.



Global Education in the 21st Century



In our first 10 years, CGD broke fresh ground in the global debate on the role of education in development and the role of donors in education. Our scholars analyzed progress toward universal primary education and methods to speed that progress in the context of the Millennium Development Goals and the Education for All-Fast Track Initiative. In *Inexcusable Absence: Why 60 Million Girls Still Aren't In School and What to do About It*, Maureen Lewis and Marlaine Lockheed showed how minority ethnic, linguistic, or religious status greatly increases the chance that a girl will be excluded from education.

“Looking forward, the quality of education—including higher-level education that meets the needs of globalized industries and services—will be an increasingly important determinant of economic success and social stability in the developing world,” says Charles Kenny. “For rich countries, this means an increased focus for aid on education reform and testing from primary to tertiary levels.”



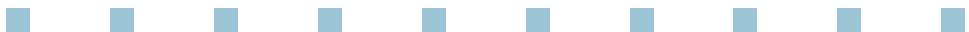
CGD’s work on education includes the application of Cash on Delivery Aid (COD) to the education sector. Co-authors of CGD’s *Cash on Delivery: A New Approach to Foreign Aid* Nancy Birdsall, Bill Savedoff, and Ayah Mahgoub use COD Aid for primary schooling as a case study in the book.

One means to achieve this is Nancy Birdsall’s proposal for Cash on Delivery (COD) Aid. Under this new pay-for-performance model, donors offer payments based upon incremental improvements in school completion and testing, thereby strengthening incentives for recipient governments to identify and remove education bottlenecks. The Center also has taken a lead in highlighting the importance of skills acquisition—learning to read, write, and do math, not just attending school—and is promoting the concept of a Millennium Learning Goal to focus on such outcomes.

Because the education sector is increasingly globalized, CGD scholars are beginning to investigate issues such as international learning standards and the harmonization of qualifications; cross-border educational services (facilitating the movement of students to schools through better immigration and tuition policies and bringing educational opportunities to students through an expanded virtual or physical presence of leading global universities in developing countries); and lowering barriers to the use of educational materials through creative-commons models and reform of international intellectual property law.

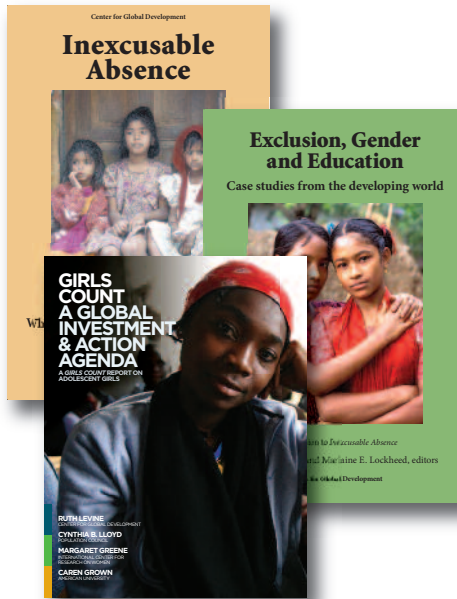


Charles Kenny’s work on education includes looking at what the MDGs have accomplished and presenting potential revisions in terms of both goals and target indicators for a second round of MDGs, including the move to a learning goal from a schooling goal.





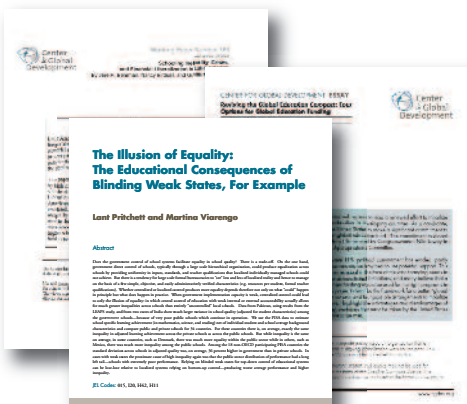
Before joining CGD at the end of 2010, Justin Sandefur conducted research on the returns to primary education and vocational training in Ghana and Tanzania and lectured on the economics of education and fertility at Oxford University. At CGD, he is working with the Kenyan Ministry of Education to bring rigorous impact evaluation into the Ministry's policymaking process.



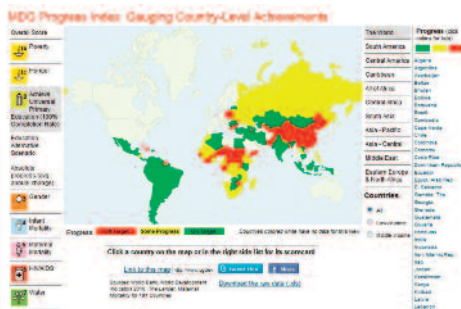
Non-Resident Fellow Chris Blattman researches the causes and consequences of violence and war, including a specific focus on war affected youth and child soldiering. In a 2006 report based on studies of war-affected youth in Northern Uganda, Blattman and his co-authors found that losses of education and work experience are the largest and most prevalent impact of child soldiering among males.



Jere Behrman, Professor of Economics and Director of the Populations Studies Center at the University of Pennsylvania, co-authored the paper "Schooling Inequality, Crises, and Financial Liberalization in Latin America" with Nancy Birdsall and Gunilla Pettersson.



Center for Global Development Working Paper 178 August 2009



In his working paper, "Who Are the MDG Trailblazers? A New MDG Progress Index," Ben Leo assesses individual country performance against eight core MDG targets. CGD created interactive scorecards to help illustrate individual country's progress. Pictured here is the scorecard for Goal 2: Achieve Universal Primary Education.

Infrastructure and the Private Sector in Africa



The old paradigm of rich-world donors and poor African recipients no longer makes sense as the continent is attracting new investors, exhibiting pockets of entrepreneurial dynamism, and producing robust economic growth rates. Yet outsiders have been slow to recognize these trends and to find ways to support Africa’s emerging private sector. In the new environment, outsiders can help by supporting regional projects to ease infrastructure bottlenecks—lack of roads and electrical power in particular—that impede African businesses. Other avenues include leveraging public money to crowd-in private capital and investing in the capabilities of the next generation of African business leaders.

CGD will be an informed advocate for such approaches. Drawing on the findings in a book by Vijaya Ramachandran and Alan Gelb showing that unreliable and inadequate electricity is one of the biggest impediments to the success of African firms, CGD is developing policy proposals to catalyze the design, finance, and maintenance of infrastructure assets, particularly energy and clean technology. The Center’s experts are also helping to shape the next wave of business climate assessments.

To help increase foreign and domestic investment in the continent, especially the poorest countries, the Center is exploring policies to leverage the potential of private equity, sovereign wealth funds, and other non-traditional investment, including from emerging markets such as India, the Middle East, and China. We are also closely examining the tools that the World Bank Group and the United States government use to encourage private-sector growth in the region, and developing proposals for better ways to focus these initiatives and capitalize on their strengths.

One example: a 2011 study by Guillermo Perry, a CGD non-resident fellow, assesses the private-sector operations of the World Bank, African Development Bank, and other international financial institutions, and offers suggestions to increase their effectiveness.



Non-Resident Fellow Guillermo Perry discussing the private-sector operations of bilateral and multilateral institutions with Nancy Lee, Deputy Assistant Secretary at the U.S. Treasury.



Former Senior Fellow Steve Radelet, now USAID’s Chief Economist, and Jennifer Oppenheimer, Chairman of the De Beers Fund and former CGD Board member. Oppenheimer supported Radelet’s 2010 CGD book, *Emerging Africa: How 17 Countries Are Leading the Way*, which highlights 17 African countries that have defied expectations and launched a remarkable, if little-noticed, turnaround since 1995.



At the launch of *More than Money: Impact Investing for Development* in December 2010, author John Simon, CGD Visiting Fellow and former OPIC Vice President and U.S. Ambassador to the African Union, joined impact-investing experts Wendy Abt, USAID Bureau of Economic Growth, Agriculture and Trade, and Randall Kempner, Aspen Network of Development Entrepreneurs, to discuss the report’s recommendations and the growing field of impact investment.

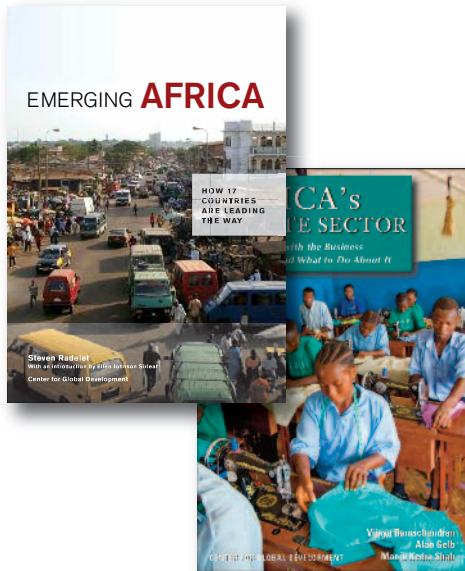




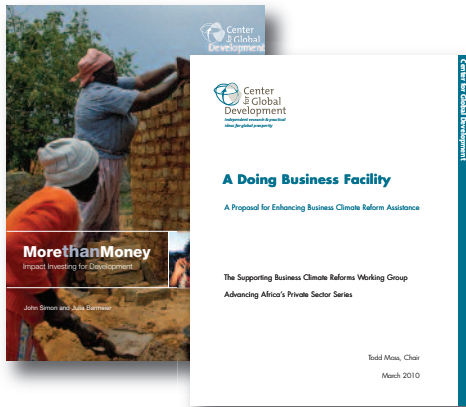
Alan Gelb, co-author of *Africa's Private Sector*, with Torgny Holmgren, Deputy Director General at the Swedish Ministry for Foreign Affairs, at a CGD meeting in 2010.



Zimbabwean Prime Minister Morgan Tsvangirai with Nancy Birdsall and Todd Moss during Tsvangirai's visit to CGD in June 2009.



CGD Board member, Kassy Kebede, founder and Managing Partner of Pantom Capital Group, greets Tesfaye Yilma, Chargé d'Affaires of the Embassy of Ethiopia.



Former Assistant Secretary of State for African Affairs Jendayi Frazer, currently Distinguished Service Professor at Carnegie Mellon University, with the current Assistant Secretary for African Affairs, Ambassador Johnnie Carson, at a CGD breakfast.

Rethinking U.S. Foreign Assistance



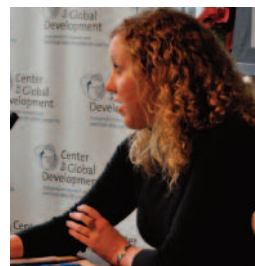
U.S. foreign assistance programs may be facing a precarious future. On one hand, a wide range of policy experts and senior government officials have embraced rhetoric about the elevation of development and the importance of aid to national security. The Obama administration has completed two major development policy reviews, a Presidential Study Directive (PSD), led by the White House, and the first-ever Quadrennial Diplomacy and Development Review (QDDR), undertaken by the State Department and the U.S. Agency for International Development (USAID). The administration has also announced new development initiatives for global health, food security, and climate.

On the other hand, sluggish U.S. growth, high unemployment, and rising concern about fiscal deficits are making new and longtime members of Congress question the value and efficacy of aid. Proposals are on the table to slash aid budgets and development programs without regard for what's working well and what isn't in U.S. aid programs.

Meanwhile, development NGOs and private firms that compete for U.S. contracts push to increase—or at least maintain—U.S. foreign assistance levels, but often with one eye toward their own favored cause or bottom line.

Amid the competing voices, CGD's Rethinking U.S. Foreign Assistance initiative provides timely, independent analysis to improve the effectiveness of U.S. aid. Led by Connie Veillette, the program makes the case that foreign assistance programs are a key part of U.S. global engagement but that American taxpayers could get a bigger bang for their bucks by clarifying U.S. development goals, reducing unnecessary restrictions, rewriting outdated legislation, and eliminating fragmentation across U.S. government agencies.

The initiative includes the recently launched USAID Monitor, which tracks the administration's efforts to rebuild USAID into the premier development agency, and the MCA Monitor, launched in 2005 and now led by Sarah Jane Staats, which tracks the progress of the Millennium Challenge Account's innovative approach to designing and implementing assistance.



Casey Dunning speaks at the CGD event, "Which Countries Will the Millennium Challenge Corporation Select for Fiscal Year 2011?" She and Sarah Jane Staats discussed current issues in the MCC selection process and suggested principles that should guide the MCC board in choosing eligible countries for 2011.



At the 2010 Partners Council Summit, Connie Veillette spoke about the Obama administration's new Feed the Future initiative with Board members Jessica Einhorn, Dean of Johns Hopkins SAIS, and Toni Verstandig, Senior Policy Advisor, Aspen Institute Middle East Strategy Group.





At a CGD policy breakfast in April 2010, USAID Administrator Raj Shah shared details of the new USAID policy shop, which he announced in a public speech later that day.



Anne-Marie Slaughter, then Director for Policy Planning at the U.S. State Department, and Don Steinberg, Deputy Administrator at USAID, speak at a CGD lunch to discuss the newly released Quadrennial Diplomacy and Development Review.



Sarah Jane Staats, who heads CGD's MCA Monitor, presents the Monitor's predictions on MCC Board selections for eligible countries in FY2011 at a December 2010 CGD event ahead of the MCC Board meeting.



Using Yardsticks as Levers for Change



Shaping reputations—that is shaming or conferring bragging rights using comparative, objective measures—can be a powerful means for improving the policies and practices of the rich and powerful. CGD experts have created a series of tools that do this, using yardsticks as levers for change. These tools utilize large amounts of data to produce easy-to-grasp comparisons of the actions taken by powerful entities, such as governments, multilateral organizations, and private firms.

The first was the Commitment to Development Index (CDI). Led by David Roodman and launched in 2003, the CDI now annually ranks 22 countries across seven development policy dimensions, such as trade, security, migration, and aid. Policymakers in bilateral aid agencies value the Index as a framework for discussions with other ministries whose policies are important for development.

David Wheeler has created two tools for identifying key sources of heat-trapping CO₂ emissions. Carbon Monitoring for Action (CARMA) displays data for the emissions of more than 50,000 power plants worldwide that can be viewed individually or aggregated by firm or political jurisdiction (city, province, or country). Forest Monitoring for Action (FORMA), scheduled for a 2011 rollout, will use satellite data to offer monthly updates on tropical forest destruction around the world.



J. Brian Atwood, now Chair of the OECD Development Assistance Committee and former USAID Administrator, watches a demonstration of the online tool for interacting with QuODA following his remarks at the QuODA launch event.



Cindy McCain, former Senate Majority Leader Tom Daschle, then Foreign Policy Editor-in-Chief Moises Naim, Senator John McCain, and Steve Radelet at the 2008 Commitment to Development Award ceremony. The award was given to the ONE Campaign for their efforts to raise awareness of global poverty and development issues during the 2008 U.S. presidential elections.



In 2010 CGD president Nancy Birdsall and co-author Homi Kharas of the Brookings Institution released the first annual Quality of Official Development Assistance (QuODA) Assessment which examines aid quality as defined by international standards for 136 bilateral and 16 multilateral agencies across four dimensions: maximizing efficiency, fostering institutions, reducing burden, and transparency and learning.

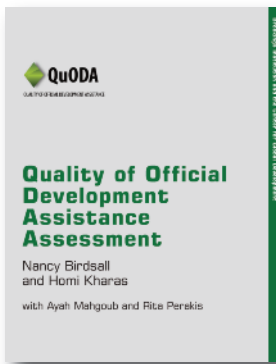
These and other data-rich CGD tools, each with an easy-to-use interactive website, enable a wide variety of stakeholders to monitor behaviors that would otherwise be hidden by complexity. CGD is exploring possibilities for expanding such assessments to include the emerging powers and other powerful actors on the global stage.



Co-authors Homi Kharas, Senior Fellow and Deputy Director of the Brookings Institution's Global Economy and Development program, and Nancy Birdsall present QuODA at a launch event in 2010.

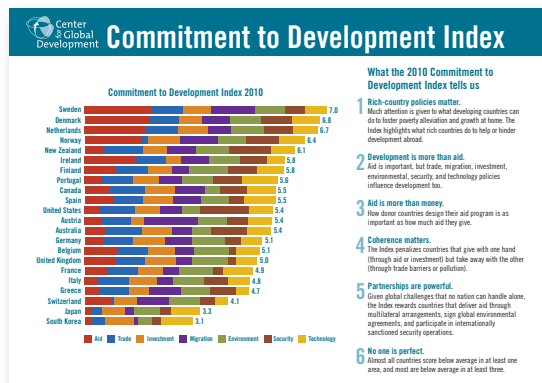


Since 2002, David Roodman has been the chief architect of the Commitment to Development Index. Updated annually, this index ranks 22 countries on various measures including migration, trade, and investment. In the future CGD may introduce similar assessments for emerging market countries such as Brazil, Russia, India, and China.



QuODA

QUALITY OF OFFICIAL DEVELOPMENT ASSISTANCE



Commitment to Development Index 2010

Ranking the Rich: The 2010 Commitment to Development Index

The 2010 Commitment to Development Index ranks 22 of the world's richest countries based on their dedication to policies that benefit poorer nations worldwide. Moving beyond standard comparisons of foreign aid volumes, the Index also rates countries on:

- Quality and quantity of foreign aid
- Openness to developing country exports
- Policies that influence investment
- Migration policies
- Environmental policies
- Security policies
- Support for creation and dissemination of new technologies

The Center for Global Development releases the Commitment to Development Index annually with support from the Rockefeller Foundation and the 9 donor governments in the CDIC Consortium.

The Index rewards generous and selective aid giving, tax breaks for private giving, incentives for foreign direct investment, hospitable immigration policies, robust support for technological research and development, and sizable contributions to global security. It penalizes financial assistance to corrupt regimes, barriers to exports from developing countries, and policies that harm shared environmental resources.

The Index is intended to **educate** and inspire the rich-world public and policymakers about how much more they could do to help the global poor. The Index is intended to spark new **debate** about the effects of rich-country policies on developing countries, and to encourage **research** about how to best measure them. By ranking rich countries' policy efforts, the Index hopes to inspire a race to the top—motivating **advocacy** inside and out of government for more development-friendly policies.

www.cgdev.org/cdi

Increasing Value for Money in Global Health



CGD's global health policy program has a proud history of seeding innovative financing instruments like the \$1.5 billion Advance Market Commitment for pneumococcal vaccine, identifying such under-resourced global public goods as fighting drug resistance, tracking and analyzing global HIV/AIDS prevention and treatment strategies, promoting better use of performance-based incentives, and stimulating an investment agenda for a long-neglected group: adolescent girls.

We expect nothing less for ourselves in the coming years. CGD will continue to analyze and develop policy solutions to improve value for money in global health. Amanda Glassman, who leads the program, is examining the causes and consequences of health-care rationing in developing countries to identify better, evidence-based practices for deciding which health activities donors and governments should fund.

Building on previous influential reports on UNAIDS and the Global Fund, a 2011 leadership transition report on the United Nations Population Fund (UNFPA) led by Rachel Nugent argues that the agency should focus on its core mandate—ensuring universal access to contraceptive services—even when this risks running afoul of critics on both left and right.



Nandini Oomman speaks at a May 2010 event to launch the HIV/AIDS Monitor team's report, *Are Funding Decisions Based on Performance?* Paul Bouey, Deputy Coordinator, Office of the U.S. Global AIDS Coordinator, participated in the panel discussion on ways in which AIDS donors could strengthen the use of past program performance in future funding decisions.

Nandini Oomman and colleagues are developing an interactive data display tool, tentatively called Global Health Money and Power (GH-MAP), that will display funding and governance relationships among the proliferating array of global health organizations. The tool is intended to create incentives for increased transparency among funders and recipients, and to generate hypotheses about the global health architecture for further study.

Mead Over's 2011 book on the AIDS transition and cost-effective prevention strategies was already influencing UNAIDS and U.S. government policies before publication, in part through essays on the CGD website. He continues research on incentives for HIV prevention and is applying statistical methods to find ways to lower the cost of HIV prevention and AIDS treatment in poor, donor-dependent countries.

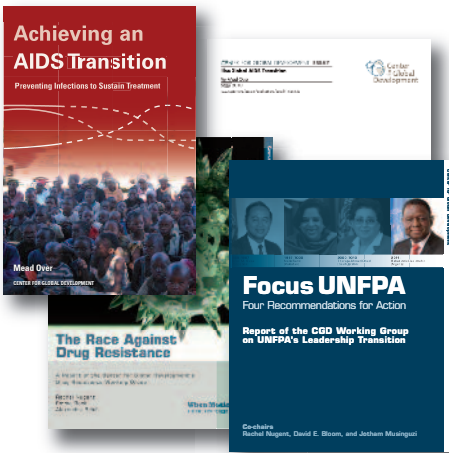


Amanda Glassman joined CGD in 2010 as the Director of Global Health Policy. In January 2011, Glassman moderated a discussion on allocating health spending with Sir Andrew Dillon, Chief Executive of the UK's National Institute for Health and Clinical Excellence (NICE), and Kalipso Chalkidou, Director of NICE International.





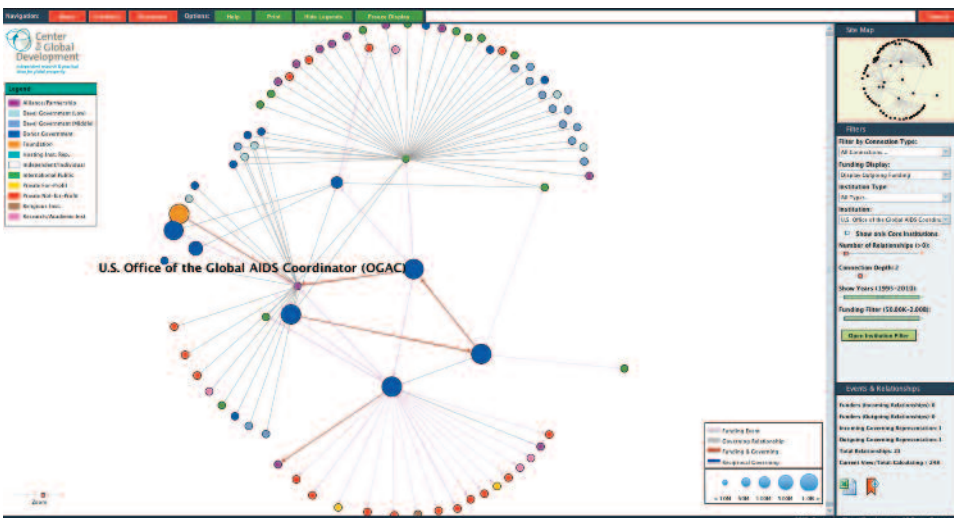
Mead Over researches the economics of efficient, effective, and cost-effective health interventions in developing countries. His 2011 book, *Achieving an AIDS Transition*, proposes a feasible medium-term objective for AIDS policy of keeping AIDS deaths down by sustaining treatment while pushing new infections lower, so that the total number of people living with HIV/AIDS begins to decline.



Attendees ask panelists questions following the launch of *The Race Against Drug Resistance*, the report of the Drug Resistance Working Group.



Rachel Nugent at the launch of *The Race Against Drug Resistance*. Nugent chaired the Drug Resistance Working Group which made four key recommendations for pharmaceutical companies, governments, donors, global health institutions, health providers, and patients to help combat spreading drug resistance.



Technology and Innovation



CGD has made important contributions to policies that foster innovation for development, from Advanced Market Commitments for vaccines, to analytical work on cell-phone banking and literacy programs, to a successful push to clean up the Clean Technology Fund.

Over the next decade, the importance of technology and innovation-related policies will become even more pronounced, as the development community strives to launch a Green Revolution in Africa, discover better responses to old and new health challenges, expand access to mobile phone-based banking, and to slow and adapt to climate change. Increasingly, donor agencies look to technology to attack these and other problems. USAID, for example, has hired CGD non-resident fellow Michael Kremer to lead a program that will nurture the discovery and application of innovations—technological and otherwise—in the agency’s work.

While technology can offer immense hope, unleashing innovation for the benefit of poor people, and then ensuring that the appropriate new technology reaches them, involves a bewildering array of players and institutions. For example, needlessly cumbersome and expensive clinical trials procedures in Africa are keeping new life-saving medicines from people who need them. A CGD working group led by Thomas Bollyky is looking for ways to ensure patient safety while streamlining procedures.

More broadly, CGD is investigating how to create incentives to catalyze the creation, testing, and adoption of innovations for development. This approach encompasses many fields: intellectual property rights, clinical trials, research institutions, prizes, Advance Market Commitments, social marketing, and better management of cash transfers. It also involves a central role for evaluation, to avoid the all-too-common mistake of subsidizing the wrong technology, or foisting it on the wrong people in the wrong place.



CGD Board member and Dean of Johns Hopkins SAIS Jessica Einhorn with Francis Fukuyama, then Director of International Development at SAIS, at CGD and SAIS’s conference “New Ideas in Development after the Financial Crisis.”





Thomas Bollyky testifying before the U.S. Senate Appropriations Subcommittee on Agriculture, Rural Development, the Food and Drug Administration, and Related Agencies in June 2010. Bollyky, who chairs CGD's clinical trials working group, testified along with Diane Edquist Dorman, National Organization for Rare Disorders, and Emil Kakkis, Kakkis Every Life Foundation, on how the FDA can help overcome some of the regulatory hurdles to developing new drug therapies for neglected diseases.



In 2011 CGD helped to launch Charles Kenny's book *Getting Better: Why Global Development is Succeeding—And How We Can Improve the World Even More*, published by Basic Books. In his book, Kenny argues that people around the world are currently living in the best time in terms of health, education, political freedoms, and access to infrastructure and new technologies.



Sebastian Mallaby, Director of the Greenberg Center for Geoeconomic Studies at the Council on Foreign Relations, speaking during "New Ideas in Development after the Financial Crisis," with Justin Lin, World Bank Senior Vice President and Chief Economist, in the foreground.



Jenny Aker, CGD Non-Resident Fellow and Assistant Professor of Economics at Tufts University, focuses on the impact of information and information technology on development outcomes including the impact of mobile phone technology on agricultural markets and literacy.

ABC, 123: The Impact of a Mobile Phone Literacy Program on Educational Outcomes

Jenny C. Aker, Christopher J. Barr, and David McKenzie

Bridging the Gap: Improving Clinical Development and the Regulatory Pathways for Health Products for Neglected Diseases

Thomas J. Bollyky

Abstract

There has been remarkable progress over the last decade in the development of health products for neglected diseases. These include drugs, vaccines, and diagnostics for malaria and tuberculosis, which kill millions of people annually plus other diseases like dengue and dengue fever, which may be fatal, but nonetheless cause a large and often fatal toll in the world's poorest communities. Led by product development partnerships (PDPs) and funded by the support of the Bill & Melinda Gates Foundation, the National Institutes of Health, and other donors, there are now dozens of new classes of candidate products in the pipeline.

There is, however, a significant barrier to bringing these products to those in need. First, the research and regulatory capacity in many neglected disease endemic settings is not adequate to support the clinical trials that need to occur there in order to complete the development of these products. Second, even with expert attention in the pipeline, current levels of financing are insufficient to support the clinical development of these products under current cost assumptions. Addressing these critical challenges requires not only increased funding for large-scale clinical trials and capacity building, but also greater attention to how these trials and their regulatory pathways can be improved to reduce unnecessary costs, delays, and risks to trial subjects.

Center for Global Development Working Paper 217 June 2010 www.cgdev.org







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CGD Chair Ed Scott engages with the audience at the CGD@10 Prosperity Policy Breakfast, "Multilateral Institutions in a G-20 World." Pictured next to him are former Board member Bill Ruckelshaus and current Board member Henrietta Fore.



CGD Board members Toni Verstandig, Kassidy Kebede, Ed McNally, and Jacob Scherr at the 2011 Spring Board Meeting.



Board member Ngozi Okonjo-Iweala provides input on CGD's work during the 2010 Spring Board meeting. From left: Peter McPherson, Ellen Mackenzie, John Reid, Ngozi Okonjo-Iweala, Mark Malloch-Brown, Patty Stonesifer, and Enrique Iglesias.



Policy Impacts 2011



CGD's focus on turning ideas into action led to several direct policy impacts in 2011. We describe some of them below.

Sudan Debt

CGD work was crucial to a June 2011 agreement on the division of \$37 billion in sovereign debt between Sudan and South Sudan, a keystone to the peaceful resolution of one of the world's longest-running civil wars. Ben Leo's CGD working paper on Sudan's debt led to an invitation from the African Development Bank to facilitate pre-partition negotiations on how to divide the debt. The north ultimately agreed to take on the full \$37 billion in exchange for concessions that included supporting the south in seeking debt relief.

World Food Program Hedging

CGD research and policy engagement catalyzed a G-20 call for the WFP to use hedging strategies to better manage financial risks in food purchases. The new approach will stretch the WFP's budget, reduce the need to physically store large stocks of food, and speed the delivery of food to people hurt by crop failures, conflict, and natural disasters.

Millennium Challenge Corp. Income Category Fix

A key policy fix for the U.S. MCC drew on ideas from CGD's MCA Monitor, a part of a broader initiative on Rethinking U.S. Foreign Assistance. The technical adjustment, proposed by a CGD team, redefines the MCC's low-income and lower-middle-income categories to ensure it can continue to work with a robust pool of well-governed poor countries.



Nancy Birdsall and Lawrence MacDonald at the launch of *Cash on Delivery: A New Approach to Foreign Aid*, March 2010.

Capital for the Multilateral Development Banks

CGD played a central role in the U.S. Congress's decision to contribute to a general capital increase for the World Bank and three regional development banks in its FY2012 budget—despite an extraordinarily tough budget environment. The United States appropriated a total of \$281 million in the FY2012 budget for the World Bank and three regional banks for Africa, Asia, and Latin America. The U.S. move helped to unlock similar contributions from other nations.

COD Aid Pilots

Efforts to transform aid delivery gained momentum as the CGD proposal for Cash on Delivery Aid became central to discussions of results-based lending. By the end of 2011, plans were underway for COD Aid pilots in Ethiopia and Rwanda (sponsored by the

UK aid agency), Tanzania (Sweden), Liberia (Clinton Foundation), and elsewhere in education, health, and possibly rural water.



Hon. James Kolbe, Robert Mosbacher, James Harmon, Ben Leo, and John Hardy testify before the House Subcommittee on International Monetary Policy and Trade on how general capital increases for multilateral development banks could boost U.S. jobs in spite of the tough budget climate.



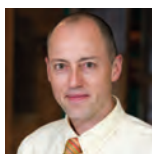


CGD Staff

(as of December 31, 2011)



Nancy Birdsall is the founding president of CGD. A former executive vice president of the Inter-American Development Bank, she is the author, co-author, or editor of more than a dozen books and monographs and more than 100 articles for books and scholarly journals published in English and Spanish. Shorter pieces of her writing have appeared in dozens of U.S. and Latin American newspapers and periodicals. In recent years, much of her writing has focused on how to make globalization work better for poor people. Recent work has included designing and promoting a new approach to foreign assistance: Cash on Delivery Aid.



Owen Barder is senior fellow and director for Europe. Barder was a senior British civil servant from 1988 to 2010, working in the UK Treasury, No.10 Downing Street, and the Department for International Development (DfID). His positions included private secretary to the prime minister and director of international finance and development effectiveness in DfID. From 2005 to 2007, Barder was a CGD senior program associate working on advance market commitments for vaccines.



Michael Clemens, senior fellow and research manager, leads CGD's migration and development initiative and oversees engagement with the academic community through research seminars, recruitment of post-doctoral fellows, and peer-review of CGD publications. His current work investigates how rich countries' migration policies shape the lives of people in developing countries and those who leave them. He earned his PhD in economics from Harvard in 2002.



William R. Cline, senior fellow, holds a joint appointment at the Peterson Institute for International Economics. His research interests include trade, financial flows, and the differential impact of climate change on rich countries and developing countries. In 1992, he published the first book on the economics of climate change. From 1996 to 2001, Cline was deputy managing director and chief economist of the Institute of International Finance in Washington, D.C.



Kimberly Ann Elliott, senior fellow, is the author or co-author of numerous books and articles on trade policy and globalization, with a focus on the political economy of trade and the uses of economic leverage in international negotiations. Her most recent book is *Delivering on Doha: Farm Trade and the Poor*, published in July 2006 by CGD and the Peterson Institute for International Economics. Recent work includes investigation of advance market commitments for agricultural innovation.



Victoria Fan, research fellow, focuses on the design and evaluation of health policies and programs. Fan joined CGD after completing her PhD at Harvard School of Public Health where she wrote her dissertation on health systems in India. Fan has worked at various nongovernmental organizations in Asia, different units at Harvard, and has served as a consultant for the World Bank and WHO. Fan is investigating health insurance for tertiary care in Andhra Pradesh, conditional cash transfers to improve maternal health, and the health workforce in India.





Alan Gelb, senior fellow, researches aid and development outcomes, the development challenges of resource-rich countries, and the development potential of biometric identification systems. He was previously director of development policy at the World Bank, chief economist for the bank's Africa region, and staff director for the 1996 World Development Report *From Plan to Market*.



Amanda Glassman, director of global health policy and research fellow, has 20 years of experience working on health and social-protection policy and programs in Latin America and elsewhere in the developing world. Before her current position, Glassman was principal technical lead for health at the Inter-American Development Bank, where she led health economics and financing knowledge products and policy dialogue with member countries.



Charles Kenny, senior fellow, has wide research interests including the role of technology in quality of life improvements. His recent publications cover progress toward the Millennium Development Goals, causes of economic growth, the link between growth and broader development, and the link between economic growth and happiness. He is the author of *Getting Better: Why Global Development Is Succeeding—And How We Can Improve the World Even More* and a weekly *Foreign Policy* column, *The Optimist*.



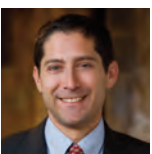
Lawrence MacDonald is vice president for communications and policy outreach and also oversees the Center's operations. A specialist in development policy communications and a former foreign correspondent, he works to increase the influence of CGD's research and analysis by leading an integrated communications program that includes events, publications, media relations, online engagement, and government and NGO outreach.



Ellen Mackenzie, director of finance and operations, serves as the Center's treasurer while managing and leading the administrative, business planning, accounting, budgeting, human resource, and information technology efforts of the organization. Before joining CGD, Mackenzie was the director of finance and operations at the Global Fund for Children. She has more than 15 years of experience working with nonprofit organizations and has a BA in business management from New York University.



Sarah Marchal Murray, director of institutional advancement and Board secretary, collaborates with staff and Board members to engage the philanthropic community in supporting CGD. She has more than 15 years of experience working with development organizations in the corporate, political, and nonprofit sectors. She previously worked at WaterAid America, CCS Consulting, and was a Peace Corps Volunteer in Guyana. She is a graduate of Villanova University and earned her Master's from SIPA at Columbia University.



Todd Moss is vice president for programs and senior fellow and leads CGD's Oil-to-Cash initiative, which is investigating the potential of direct cash transfers of oil revenue to citizens as a means to strengthen the social compact. He previously led CGD work that opened the way for billions of dollars in debt relief for Nigeria. From 2007 to 2008, he took leave from the Center to serve as deputy assistant secretary in the Bureau of African Affairs at the U.S. Department of State. His most recent book is *African Development: Making Sense of the Issues and Actors*.



Vijaya Ramachandran, senior fellow, has expertise in private-sector development, global governance, and food security. She manages CGD's research initiative on fragile states, which focuses on the delivery of post-conflict assistance. She is the co-author of *Africa's Private Sector: What's Wrong with the Business Environment and What to Do About It* and has written many articles and working papers on private-sector development in Africa. Her recent work includes the financing of food aid and the reform of the Rome-based UN food and agriculture agencies.



Liliana Rojas-Suarez, senior fellow, is an expert on Latin America and on financial services and the development impact of global financial regulation. She combines Wall Street and multi-lateral development bank experience, having worked as chief economist for Latin America at Deutsche Bank, as principal economist at the Inter-American Development Bank, and in senior research roles at the IMF. She chairs the Latin America Shadow Financial Regulatory Committee, which meets twice yearly at CGD to offer timely policy advice for the region.



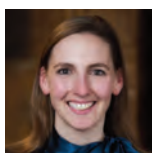
David Roodman is a senior fellow focusing on microfinance, debt relief, and climate change. His book *Due Diligence: An Impertinent Inquiry into Microfinance* asks bottom-line questions about the benefits of microfinance and how it should be supported. He wrote the book through a pathbreaking Microfinance Open Book Blog where he shared questions, discoveries, and draft chapters. Roodman has been architect and manager of the Commitment to Development Index since the project's inception in 2002.



Justin Sandefur, research fellow, focuses on the interface of law and development in sub-Saharan Africa. His current work includes randomized control trials examining new approaches to conflict resolution in Liberia, efforts to curb police extortion and abuse in Sierra Leone, and an initiative to expand land titling in urban slums in Tanzania. After earning his PhD in 2008, Sandefur spent two years as a research officer at Oxford's Centre for the Study of African Economies.



Bill Savedoff, senior fellow, has more than 20 years of experience working on economic and social development issues. His work focuses on finding ways to improve the quality of social services in developing countries, with particular attention to incentives, institutions, and political economy. He played a key role in development projects on three continents while working for Inter-American Development Bank and the World Health Organization. His many publications include *Diagnosis Corruption: Fraud in Latin America's Public Hospitals*, *Governing Mandatory Health Insurance: Lessons from Experience*, and *Cash on Delivery: A New Approach to Foreign Aid*.



Sarah Jane Staats, director of policy outreach, is responsible for engaging the development policy community, especially senior staff in the U.S. Congress, the U.S. administration, and development advocacy NGOs. She ensures that the Center's research and analysis is readily available to these audiences and helps shape the Center's products to be timely and relevant to current policy debates. She previously worked at the U.S. Government Accountability Office and at InterAction, a coalition of 160 U.S.-based development and humanitarian NGOs.





Arvind Subramanian, senior fellow, has a joint appointment at the Peterson Institute for International Economics. He was previously assistant director in the research department of the IMF. He has written on growth, trade, development, institutions, aid, oil, India, Africa, the World Trade Organization, and intellectual property. Subramanian is published widely in academic journals and leading newspapers and magazines. His most recent book is *Eclipse: Living in the Shadow of China's Economic Dominance*.



Connie Veillette, director of the Rethinking U.S. Foreign Assistance Program, joined the Center in August 2010 after serving as a senior professional staff member for Senator Lugar on the Senate Foreign Relations Committee. Her portfolio included aid reform and oversight of foreign assistance and USAID. Previously, she was a specialist in foreign assistance at the Congressional Research Service, where she wrote on foreign aid issues and advised Congress on policy options.



David Wheeler, senior fellow, led the Center's climate change work assessing the stakes for developing countries, integrating climate change into development assistance, and using public information disclosure to reduce emissions. He is the architect of two Web-based carbon monitoring databases, one for all power plants in the world and one for tropical forests. Before joining CGD, he served as lead economist in the World Bank's Development Research Group. Wheeler retired in January 2012 but continues to be active as CGD's first senior fellow emeritus.



CGD staff deliberate during a biweekly Research-in-Progress (RIP) presentation. A core feature of intellectual life at CGD, the principal purpose of RIPs is to help researchers hone their methods and findings, while serving as an opportunity for all staff to learn about ongoing work.



Staff gather at an informal champagne toast for the publication of two of CGD's latest books. This long-standing tradition also includes hanging framed book covers on the office wall of publications.



Research fellow Justin Sandefur, senior fellow Michael Clemens, postdoctoral research fellow Milan Vaishnav, and senior fellow Alan Gelb hard at work as judges of the annual pumpkin carving contest.



Executive Office Staff

Katherine Douglas Martel,
Institutional Advancement Associate
Annie Malknecht, *Assistant to the President*
Anna Moran, *Institutional Advancement Assistant*
Emily Putze, *Special Assistant to the President*
Liza Reynolds, *Special Assistant to the Executive Office*

Communications and Outreach Staff

Jessica Brinton, *Media Relations Coordinator*
Alexandra Gordon, *Communications Assistant*
Kyla Lawrence, *Events Coordinator*
Christopher Molitoris, *Policy Outreach Assistant*
John Osterman, *Publications Manager*
Jenny Ottenhoff, *Policy Outreach Associate*
Michael Watkins, *Web Technology Manager*

Finance and Operations Staff

Luke Easley, *Finance and Human Resources Manager*
Jeff Garland, *Information Technology Manager*
Sam Reyes, *Systems Administrator*
Charlie Rong, *Office Manager*

Program Staff

Julia Clark, *Program Coordinator*
Danny Cutherell, *Policy Analyst*
Casey Dunning, *Policy Analyst*
Kate McQueston, *Program Coordinator*
Rita Perakis, *Research Associate*



Rachel Silverman, Danny Cutherell, Jonathan Carver, Jenny Ottenhoff, and Julie Walz at a junior staff meeting. Held once a week, these meetings provide junior staff the opportunity to present research they are pursuing with senior researchers, hone their speaking skills, and participate in a peer-review process.

Research Assistants

Maria Alejandra Amado
Ted Collins
Denizhan Duran
Jonathan Karver
Stephanie Majerowicz
Owen McCarthy
Will McKitterick
Rachel Silverman
Ross Thuotte
Tejaswi Velayudhan
Julie Walz

Visiting Fellows

Satish Chand
Youssoufou Congo
Ibrahim Elbadawi
Jessica Goldberg
Ethan Kapstein
Darius Nassiry
Andrew Natsios
Nuhu Ribadu (on-leave)
Enrique Rueda-Sabater
Andy Sumner
Milan Vaishnav
John Williamson

Non-Resident Fellows

Jenny Aker
Abhijit Banerjee
Pranab Bardhan
Chris Blattman
Oeindrila Dube
James Habyarimana
Ricardo Hausmann
Devesh Kapur
Dean Karlan
Michael Kremer
Carol J. Lancaster
Nora Lustig
Theodore H. Moran
Sendhil Mullainathan
Guillermo Perry
Raymond Robertson
Paul Romer
Jeremy Shiffman
Duncan Thomas
Peter Timmer
Nicolas van de Walle
Jeremy Weinstein





Richard H. Sabot Lecture



The Richard H. Sabot Lecture is held annually to honor the life and work of Richard “Dick” Sabot, a respected professor, celebrated development economist, successful internet entrepreneur, and close friend of the Center for Global Development. As a founding member of CGD’s Board of Directors, Dick’s enthusiasm and intellect encouraged our beginnings. His work as a scholar and as a development practitioner helped to shape the Center’s vision of independent research and new ideas in the service of better development policies and practices.

Dick held a PhD in economics from Oxford University; he was professor of economics at Williams College, and he taught at Yale, Oxford, and Columbia Universities. He made numerous scholarly contributions in the fields of economics and international development, and he worked for 10 years at the World Bank.

Launched with the support of Board member Bruns Grayson and other members of the Board who served with Dick during the Center’s early years, the Sabot Lecture Series hosts a scholar-practitioner who has made significant contributions to international development, combining, as did Dick, academic work with leadership in the policy community.

Richard H. Sabot Lectures:

April 23, 2012 – “Africa—A Second Independence: Redefining Old Relationships,” John Githongo, CEO of Inuka Kenya Trust

April 11, 2011 – “Policies and Politics: Can Evidence Play a Role in the Fight against Poverty?” Esther Duflo, Abdul Latif Jameel Professor of Poverty Alleviation and Development Economics at the Massachusetts Institute of Technology

April 12, 2010 – “Austerity and the IMF,” Kenneth Rogoff, Thomas D. Cabot Professor of Public Policy and professor of economics at Harvard University

June 11, 2009 – “Precautionary Resources and Development Finance,” Kemal Dervis, vice president and director of global economy and development at the Brookings Institution

June 26, 2008 – “Towards a Global Deal on Climate Change,” Lord Nicholas Stern, IG Patel Professor of Economics at the London School of Economics and author of the Stern Review

June 20, 2007 – “Corruption: Myths and Realities in a Developing Country Context,” Ngozi Okonjo-Iweala, former finance minister and minister of foreign affairs of Nigeria and distinguished fellow at the Brookings Institution

June 13, 2006 – “Harnessing the Developing Potential of Emerging Market Reserves,” Lawrence H. Summers, former president of Harvard University and former Secretary of the Treasury





Advisory Group

(as of December 31, 2011)

Lant Pritchett (chair)
 Masood Ahmed
 Jere Behrman
 Thomas Carothers
 Kemal Derviş
 Shanta Devarajan
 Esther Duflo
 William Easterly
 Kristin Forbes
 Carol Graham

Simon Johnson
 Anne Krueger
 Gina Lambright
 Nancy Lee
 David Lindauer
 Mark Medish
 Edward Miguel
 Jonathan Morduch
 Deepa Narayan
 Jane Nelson

Rohini Pande
 Kenneth Prewitt
 Raymond Robertson
 Dani Rodrik
 David Rothkopf
 Rebecca Thornton
 John Williamson
 Eric Werker
 Ngaire Woods
 Ernesto Zedillo

CGD Alumni

(as of December 31, 2011)

Our former staff, visiting fellows, and associates helped lay the groundwork for CGD's growth and impact in our first decade and will continue to be part of our community in the next decade and beyond.

Paolo Abarcar
 Noora Aberman
 Ehui Adovor
 Lauren Aitken
 Jenny Aker
 Selvin Akkus
 Dillon Alleyne
 Dana Alsen
 Gabriela Aparicio
 Jean Arkedis
 Cindy Audiguier
 Bob Ayres
 Alicia Bannon
 Julia Barmeier
 Sheila Basey
 Leda Basombrio
 Sami Bazzi
 Edward Bbaale
 Addie Bell
 Jeremy Bennett
 Desmond Bermingham
 Michael Bernstein
 Debapriya Bhattacharya
 Rikhil Bhavnani
 Rachel Block
 Graham Bocking
 Jamshed Bokhari
 Tom Bollyky

Kaysie Brown
 Elvira Bustamante
 Julian Casal
 Satish Chand
 Benedicte Christensen
 Ruth Coffman
 Dave Colner
 Robin Comisar
 Lindsay Coshatt
 Amy Crone
 Ursula Dale
 Susan Davis
 Prarthna Dayal
 Sarah Dean
 Caroline Decker
 Brian Deese
 Alex Denny
 Kemal Derviş
 Dennis de Tray
 Preeti Dhillon
 Elisa Dienesch
 Joselyn DiPetta
 Matt Dippold
 Anna Doctors
 Reid Dossinger
 Laura Drachler
 Christina Droggitis
 Oeindrila Dube

Bill Easterly
 Ben Edwards
 Ifeanyi Chukwu Egbuniwe
 Rena Eichler
 Mark Eisinger
 Ben Elberger
 Wren Elhai
 Kaci Farrell
 Lauren Feinstein
 Kristin Forbes
 Robert Fuentes
 Carlos Gallardo
 Peter Gardner
 Tarek Ghani
 Gargee Ghosh
 Angela Gillespie

David Goldsbrough
 Raquel Gomes
 Veronica Gonzales
 Jessica Gottlieb
 Matt Greco
 Jake Grover
 Heather Haines
 Dan Hammer
 Amar Hamoudi
 April Harding
 Conor Hartman
 Ricardo Hausmann
 Sheila Herrling
 John Hicklin
 Matt Hoffman
 Aaron Hoffmeyer



CGD staff and alumni at the CGD Alumni 10th Anniversary Kick-Off Party, January 2011.



Janice Hoggs
 Marcus Holmlund
 Allysun Jackson
 David Jea
 Olivia Jones
 Katie Kampf
 Ethan Kapstein
 Julius Kiiza
 Molly Kinder
 Scott Kniaz
 Lauren Konopacz
 Tony Kopetchny
 Robin Kraft
 Marika Krausova
 Danielle Kuczynski
 Jenny Lanjouw
 Kristie Latulippe
 Nancy Lee
 Ben Leo
 Ruth Levine
 Maureen Lewis
 Marlaine Lockheed
 Sarah Lucas
 Ayah Mahgoub
 Timo Mahn
 Hrushikesh Mallick
 Leela Manchala
 Michael Manteris
 Joel Meister
 Greg Michaelidis
 Lindsay Morgan

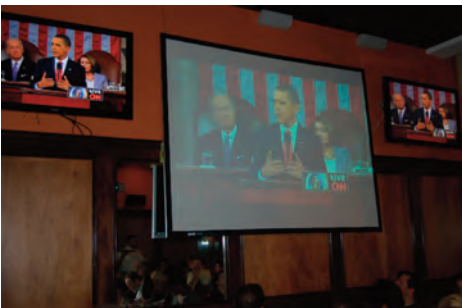
Wendell Mottley
 Arvind Nair
 John Nellis
 Ramzi Nemo
 Sue Nichols
 Rachel Nugent
 Nandini Oomman
 Beatriz Orlando
 Casey Otto
 Ceren Ozer
 Rena Pacheco-Theard
 Christine Park
 Stewart Patrick
 Emily Paul
 Jane Pennebaker
 Steve Perlow
 Gunilla Pettersson
 Andy Phan
 Jessica Pickett
 Aaron Pied
 Cindy Prieto
 Amy Quinn
 Steve Radelet
 Nuhu Ribadu
 Jim Rosario
 Sarah Rose
 Steve Rosenzweig
 Elisa Rothenbuhler
 Karelle Samuda
 Pronita Saxena
 Rebecca Schutte

Juliette Seban
 Julia Sekkel
 Myra Sessions
 Fatma Shaaban
 Sonal Shah
 Priya Sharma
 Jeremy Shiffman
 Bilal Siddiqi
 Ayesha Siddiqui
 John Simon
 Yvonne Siu
 Thomas Slayton
 Randy Soderquist
 Sebastian Sotelo
 Scott Standley
 Katie Stewart
 Andrew Stober

Sandy Stonesifer
 Sandip Sukhtankar
 Michelle Swearingen
 Melesse Tashu
 Tara Templin
 Harsha Thirumurthy
 Peter Timmer
 Kelly Tobin
 Martina Tonizzo
 Kevin Ummel
 Rohan Vilms
 Kate Vyborny
 Upekha Weerasinghe
 Jeremy Weinstein
 David Wendt
 Lauren Young



Former Vice President for Programs and Operations and Senior Fellow Ruth Levine speaks at the CGD Alumni 10th Anniversary Kick-Off Party, January 2011.



Since 2004, CGD has hosted an annual State of the Union Bingo event that brings together friends, family, colleagues, and alumni in lighthearted anticipation of hearing the president mention development topics in his speech. Alumni and other CGD friends around the globe join in the fun through our interactive online bingo cards.



CGD Alumni Rebecca Schutte, Ben Edwards, and Lindsay Morgan catch up with publications manager John Osterman at the annual holiday party.



Publications

(published in 2011)

Books

Due Diligence: An Impertinent Inquiry into Microfinance

David Roodman, 12/13/2011

Achieving an AIDS Transition: Preventing Infections to Sustain Treatment

Mead Over, 11/16/2011

Working Papers

Oil to Cash: A Proposal to Fight the Resource Curse through Cash Transfers

Todd Moss, WP# 237, 1/4/2011

Food Crisis, Household Welfare, and HIV/AIDS Treatment: Evidence from Mozambique

Damien de Walque et al., WP# 238, 1/6/2011

Antiretroviral Therapy Awareness and Risky Sexual Behaviors: Evidence from Mozambique

Damien de Walque, Harounan Kazianga, and Mead Over, WP# 239, 1/12/2011

Quantifying Vulnerability to Climate Change: Implications for Adaptation Assistance

David Wheeler WP# 240, 1/24/2011

Getting Real on Trade with Pakistan: Duty-Free Market Access as Development Policy

Kimberly Elliott, WP# 241, 2/11/2011

The West African Experience with the World Rice Crisis, 2007-08

Jenny Aker et al., WP# 242, 2/14/2011

Failed States, Vicious Cycles, and a Proposal

Raghuram G. Rajan, WP# 243, 3/2/2011

The Post-Washington Consensus: Development after the Crisis

Nancy Birdsall and Francis Fukuyama, WP# 244, 3/3/2011

A Green Venture Fund to Finance Clean Technology for Developing Countries

Darius Nassiry and David Wheeler, WP# 245, 3/10/2011

IDA at 65: Heading toward Retirement or a Fragile Lease on Life?

Todd Moss and Benjamin Leo, WP# 246, 3/10/2011

TrAid+ Channeling Development Assistance to Results

Alex Ergo and Ingo Puhl, WP# 247, 3/29/2011

Find Me the Money: Financing Climate and Other Global Public Goods

Nancy Birdsall and Benjamin Leo, WP# 248, 4/6/2011

Toward Results-Based Social Policy Design and Implementation

Miguel Székely, WP# 249, 4/18/2011

The Future of Development Finance

Nemat (Minouche) Shafik, WP# 250, 5/10/2011

Declining Inequality in Latin America: Some Economics, Some Politics

Nancy Birdsall, Nora Lustig, and Darryl McLeod, WP# 251, 5/19/2011

The Best Things in Life are (Nearly) Free: Technology, Knowledge, and Global Health

Ursula Casabonne and Charles Kenny, WP# 252, 5/31/2011

Cash at Your Fingertips: Technology for Identification and Cash Transfers in Resource-Rich Countries

Alan Gelb, WP# 253, 6/3/2011

New SME Financial Access Initiatives: Private Foundations' Path to Donor Partnerships

Benjamin Leo, WP# 254, 6/3/2011

Migration as a Tool for Disaster Recovery: A Case Study on U.S. Policy Options for Post-Earthquake Haiti

Royce Bernstein Murray and Sarah Petrin Williamson, WP# 255, 6/6/2011

Better Factories Cambodia: An Instrument for Improving Industrial Relations in a Transnational Context

Arianna Rossi and Raymond Robertson, WP# 256, 6/9/2011

Globalization, Wages, and Working Conditions: A Case Study of Cambodian Garment Factories

Cael Warren and Raymond Robertson, WP# 257, 6/13/2011

The Health Systems Funding Platform at One: Resolving Tensions between Aid and Development Effectiveness Agendas

Amanda Glassman, WP# 258, 7/12/2011

Fair Shares: Crediting Poor Countries for Carbon Mitigation

David Wheeler, WP# 259, 7/18/2011

Constraints to Domestic Enterprise Financing in Post-Conflict Liberia

John Gyorlorwulu, WP# 260, 7/22/2011

Oil for Uganda—or Ugandans? Can Cash Transfers Prevent the Resource Curse?

Alan Gelb and Stephanie Majerowicz, WP# 261, 7/26/2011

Multidimensional Indices of Achievements and Poverty: What Do We Gain and What Do We Lose?

Nora Lustig, WP# 262, 8/10/2011

Scholars Who Became Practitioners: The Influence of Research on the Design, Evaluation, and Political Survival of Mexico's Antipoverty Program Progreso/

Oportunidades

Nora Lustig, WP# 263, 8/11/2011

Economics and Emigration: Trillion-Dollar Bills on the Sidewalk?

Michael Clemens, WP# 264, 8/18/2011



The Commanders Emergency Response Program in Afghanistan: Refining U.S. Military Capabilities in Stability and In-Conflict Development

Gregory Johnson, Vijaya Ramachandran, and Julie Walz, WP# 265, 9/6/2011

Iraq's Last Window: Diffusing the Risks of a Petro-state

John West, WP# 266, 9/12/2011

Unity in Diversity: A Global Consensus on Choosing the IMF's Managing Director

David Wheeler, WP# 267, 9/15/2011

Zap It to Me: The Short-Term Impacts of a Mobile Cash Transfer Program

Jenny Aker et al., WP# 268, 9/20/2011

Dial "A" for Agriculture: A Review of Information and Communication Technologies for Agricultural Extension in Developing Countries

Jenny Aker, WP# 269, 9/29/2011

Global Health and the New Bottom Billion: What Do Shifts in Global Poverty and the Global Disease Burden Mean for GAVI and the Global Fund?

Amanda Glassman, Denizhan Duran, and Andy Sumner, WP# 270, 10/28/2011

Does Abolishing Fees Reduce School Quality? Evidence from Kenya

Justin Sandefur, WP# 271, 10/31/2011

Publishing Construction Contracts as a Tool for Efficiency and Good Governance

Charles Kenny, WP# 272, 11/21/2011

A Brave New World: Emerging Donors and the Changing Nature of Foreign Assistance

Julie Walz and Vijaya Ramachandran, WP# 273, 11/21/2011

Economic Shocks and Conflict: The (Absence of?) Evidence from Commodity Prices

Sami Bazzi and Christopher Blattman, WP# 274, 12/1/2011

Cash On Delivery Aid for Health: What Indicators Would Work Best?

William Savedoff and Katherine Douglas Martel, WP# 275, 12/1/2011

Quid Pro Quo: Builders, Politicians, and Election Finance in India

Devesh Kapur and Milan Vaishnav, WP# 276, 12/7/2011

A China Round of Multilateral Trade Negotiations

Aaditya Mattoo and Arvind Subramanian, WP# 277, 12/10/2011

More Money or More Development: What Have the MDGs Achieved?

Charles Kenny and Andy Sumner, WP# 278, 12/12/2011

The High Return to Private Schooling in a Low-Income Country

Tessa Bold et al., WP# 279, 12/12/2011

Economic Dynamics and Forest Clearing: A Spatial Econometric Analysis for Indonesia

David Wheeler et al., WP# 280, 12/20/2011

Direct Redistribution, Taxation, and Accountability in Oil-Rich Economies: A Proposal

Shanta Devarajan, WP# 281, 12/21/2011

From REDD to Green: A Global Incentive System to Stop Tropical Forest Clearing

David Wheeler, Dan Hammer, and Robin Kraft, WP# 282, 12/22/2011

Forest Clearing in the Pantropics: December 2005–August 2011

David Wheeler, Robin Kraft, and Dan Hammer, WP# 283, 12/28/2011

Reports

Growing Business or Development Priority? MDB Direct Support to Private Firms
Guillermo Perry, 4/11/2011

Focus UNFPA: Four Recommendations for Action
The CGD Working Group on UNFPA's Leadership Transition, 4/12/2011

Beyond Bullets and Bombs: Fixing the U.S. Approach to Development in Pakistan

Nancy Birdsall, Wren Elhai, and Molly Kinder, 6/1/2011

The Future of U.S. Aid Reform: Rhetoric, Reality, and Recommendations

Connie Veillette, 9/19/2011

Safer, Faster, Cheaper: Improving Clinical Trials and Regulatory Pathways to Fight Neglected Diseases

Tom Bollyky, 10/31/2011

MCA Monitor Analysis

Fine-Tuning the MCC Selection Process and Indicators

Casey Dunning et al., 7/21/2011

Which Countries Pass the FY2012 Selection Hard Hurdles? A Preview into Round 9 of the Millennium Challenge Corporation's Country Selection

Casey Dunning and Owen McCarthy, 11/7/2011

Which Countries Will the MCC Board Likely Select as Eligible in FY2012?

Casey Dunning and Owen McCarthy, 11/30/2011

MCA Monitor Report from the Field: Honduras

Casey Dunning, 12/2/2011

USAID Monitor Analysis

Aid for a Purpose: Show Me the Goal, Then Show Me the Money

Connie Veillette, 3/2/2011

The FY2011 Budget Agreement for Foreign Operations Sets the Stage for Future Funding

Connie Veillette, 4/22/2011

Five Steps to Make Our Aid More Effective and Save More Than \$2 Billion

John Norris and Connie Veillette, 5/5/2011



Working Groups

(active in 2011)

Aid Priorities amid Declining Resources

Gordon Adams	Richard Greene	Sarah Margon	Beth Tritten
Rodney Bent	Jeremy Konyndyk	John Norris*	Noam Unger
Steve Berry	Jim Kunder	Larry Nowels	Connie Veillette*
Amanda Glassman	Clay Lowery	Paul O'Brien	

Clinical Trials and Regulatory Pathways for Neglected Diseases

Vincent Ahonkhai	Ralf Clemens	Marc LaForce	<i>Observers:</i>
Ernst Berndt	Iain Cockburn	Orin Levine	Yuppadee Javroongrit
Fred Binka	David Diltz	Melinda Moree	Margareth
Tom Bollyky*	Paul Huckle	John Purves	Ndomondo-Sigondo
Mike Brennan	John Hurvitz	Vijaya Ramachandran	Wendy Taylor
Richard Chin	Richard Kingham	David Shoultz	
Liliana Chocarro	Judith Kramer		

Drug Resistance

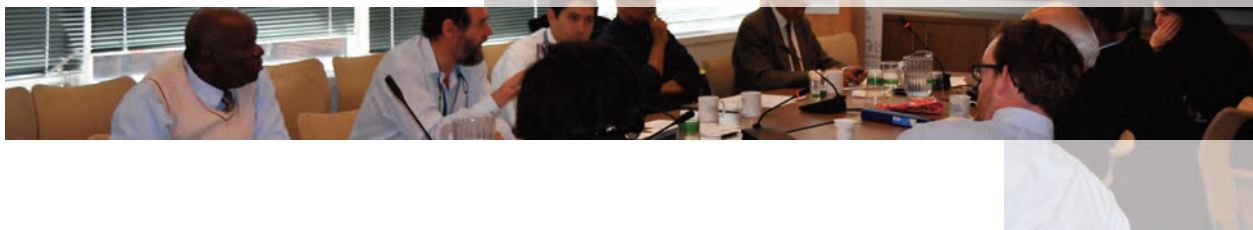
Emma Back	Susan Foster	Iruka Okeke	Carol Sibley
Ted Bianco	Fred Goldberg	Kevin Outterson	Suniti Solomon
Nancy Blum	Martha Gyansa-	Mead Over	Walter Straus
Joanne Carter	Lutterodt	Eddie Power	Thelma Tupasi
Gail Cassell	Jerry Keusch	Andrew Ramsay	Saul Walker
John Chalker	Ruth Levine	Renee Ridzon	Nicholas White
Alexander Doodoo	Rachel Nugent*	David Roos	Prashant Yadav
Dai Ellis	Paul Nunn	Harvey Rubin	

The Future of IDA

Owen Barder	Stephen Howes	Elene Makonnen	Sabater
Nancy Birdsall	Ravi Kanbur	Pradeep Mehta	Jean-Michel Severino*
Francois Bour-	Devesh Kapur	Juan Antonio	Andy Sumner
guignon	Ben Leo	Morales Anaya	Finn Tarp
Jessica Einhorn	William Lyakurwa	Todd Moss	Jacques van der Gaag
Alan Gelb	Callisto Madavo	Vijaya Ramachandran	Shengman Zhang
Manuel Hinds	Ng'andu Magande	Enrique Rueda-	

Priority-Setting Institutions for Global Health

Richard Barker	Ruth Faden	Dai Hozumi	Alarico Rodriguez
Sara Bennett	Jeremy Farrar	Lydia Kapiriri	Lloyd Sansom
Tomasz Bochenek	Armin Fidler	Felicia Knaul	Jeremy Shiffman
Michael Borowitz	James Fitzgerald	Zhao Kun	Yot Teerawattananon
Jesse Bump	Ursula Giedion	Rachel Nugent	Ignez Tristao
Kalipso Chalkidou*	Amanda Glassman*	Andres Pichon-Riviere	Sean Tunis
Leonardo Cubillos	Suzanne Hill	Mala Rao	Damian Walker
Tessa Edejer	Charles Hongoro	Michael Rawlins	



UNFPA's Leadership Transition

David Bloom*	Manny Jimenez	Rachel Nugent*	Gamal Serour
Ellen Chesler	Melinda Kimble	Nandini Oomman	Jeremy Shiffman
Robert Engelman	Bert Koenders	Luis Rosero-Bixby	Steve Sinding
Alex Ezeh	Peter Lamptey	Fred Sai	John Worley
Linda Harrar	Jotham Musinguzi*	Sara Seims	

U.S. Development Strategy in Pakistan Study Group

Masood Ahmed	Kimberly Ann Elliott	Clay Lowery	Milan Vaishnav
Nancy Birdsall*	Dennis de Tray	Robert Mosbacher	Andrew Wilder
Wendy Chamberlin	Alan Gelb	Deepa Narayan	Michael Woolcock
Patrick Cronin	Ricardo Hausmann	Shuja Nawaz	Moeed Yusuf
Shamila Chaudhary	Ishrat Husain	Paula Newberg	
Daniel Cutherell	Asim Khwaja	Paul O'Brien	

*Chair



At the launch of the report, *Beyond Bullets and Bombs: Fixing the U.S. Approach to Development in Pakistan*, David Sanger moderates a panel featuring members of the U.S. Development Strategy in Pakistan Study Group Shuja Nawaz, Moeed Yusuf, Michael Phelan, and Nancy Birdsall.



Members of the Latin American Shadow Financial Regulatory Committee (CLAAF) Pablo Guidotti, Liliana Rojas-Suarez, Guillermo Ortiz, and Guillermo Calvo at a committee group meeting.



Members of the Clinical Trials and Regulatory Pathways for Neglected Diseases Working Group at the launch of their report, *Safer, Faster, Cheaper: Improving Clinical Trials and Regulatory Pathways to Fight Neglected Diseases*. From left: Mike Brennan of the AERAS Global TB Vaccine Foundation, Paul Huckle of GlaxoSmithKline, Orin Levine of PneumoADIP and the Johns Hopkins Bloomberg School of Public Health, David Shultz of The Bill & Melinda Gates Foundation, and Amanda Glassman of CGD.



Partnerships

CGD partners with a wide range of organizations each year. Some partnerships are contractual, with both parties formally committed; most are informal relationships in which CGD and the partner organization work together for a common goal. Active partnerships in 2011 included the following:

The Brookings Institution

CGD contracts with Brookings Institution Press for support in the production, promotion, and sales of CGD books. CGD and Brookings researchers have co-authored several publications, including the *Quality of Official Development Assistance Assessment*.

Consultative Group to Assist the Poor (CGAP)

With funding from The MasterCard Foundation, CGAP, a global resource center on microfinance, collaborated with CGD to promote David Roodman's book, *Due Diligence*, which assesses the contribution of microfinance to development.

Devex

CGD is a content provider to Devex, the largest provider of business intelligence and recruitment services to the development community.

Dubai Economic Council

CGD partnered with the Dubai Economic Council to analyze data from a survey of 700 private enterprises in Dubai—the first of its kind in the United Arab Emirates. Results were

presented at a conference in Dubai in November 2011 attended by policymakers, researchers, and journalists from the Emirates and other countries in the Middle East.

Foreign Policy

CGD and *Foreign Policy* jointly sponsor the annual Commitment to Development Award to honor an individual or organization from the rich world making a significant contribution to changing attitudes and policies toward the developing world.

Initiative for Global Development

Founded as the Seattle Initiative in 2003 by Bill Gates Sr., Daniel J. Evans, Bill Ruckelshaus, Bill Clapp, and John Shalikashvili, the Initiative for Global Development has grown to a national network of more than 300 partners, mostly current CEOs and senior executives. CGD contributed substantially to the Initiative's first strategy paper, and the two organizations continue to share ideas.

Institute of Medicine/National Academy of Sciences (IOM)

CGD health policy experts have been mem-



Nancy Birdsall reflects on CGD's start during the Spring Board dinner held at the Peter G. Peterson Institute for International Economics. CGD and the Peterson Institute maintain a special alliance, as the Institute housed CGD for the first six months of its existence in 2001 and early 2002.

bers of IOM committees, participated in workshops, and provided public testimony on issues such as HIV/AIDS in Africa (Mead Over), priority-setting for noncommunicable diseases (Amanda Glassman) and food and drug regulatory systems in developing countries.

Inter-American Dialogue

The Inter-American Dialogue is the leading U.S. center for policy analysis, exchange, and communication on Western Hemisphere affairs. CGD and IAD regularly exchange views on rich-world policies toward Latin America.

New York Times

Each year, CGD staff members help *New York Times* Pulitzer Prize-winning journalist Nicholas Kristof screen hundreds of entries for the Win-A-Trip with Nicholas Kristof Contest.

ONE

CGD research informs the advocacy work of ONE, an organization that works to make global poverty an important part of America's political dialogue and agenda. Ben Leo, former CGD research fellow, is now global policy director at ONE, where he leverages CGD's policy work as part of ONE's campaigns.

The Peter G. Peterson Institute for International Economics

The Peterson Institute and CGD have a special alliance. The Peterson Institute housed CGD for the first six months of its existence in 2001 and early 2002. As sister organizations, CGD and the Peterson Institute make joint appointments of senior staff. The bylaws of our two organizations stipulate that the heads of each serve ex officio on the Board of the other.



Senior Advisor to the Consultative Group to Assist the Poor (CGAP) Richard Rosenberg moderates a panel during the launch of David Roodman's book, *Due Diligence: An Impertinent Inquiry into Microfinance*. CGAP collaborated with CGD and The MasterCard Foundation to promote Roodman's research and book.

Population Reference Bureau

In 2011, CGD partnered with PRB to manage a network of researchers investigating links between population, reproductive health, and economic outcomes, especially in Africa. Ongoing collaboration includes complementary research agendas on adolescent fertility and demographic data for policy in sub-Saharan Africa.

Revenue Watch Institute

Revenue Watch, which promotes the responsible management of oil, gas, and mineral resources for the public good, is working with CGD on its Oil-to-Cash initiative. CGD commissioned and published two papers from Revenue Watch, and the two organizations are coordinating on country case studies.

World Resources Institute

WRI, a global environmental think tank, is using CGD's Forest Monitoring for Action (FORMA), a Web-based tool that uses satellite data to generate rapidly updated maps of tropical forest clearing, as a key part of its Global Forest Watch initiative.





Commitment to Development Award

The Center for Global Development and *Foreign Policy* honored Geeta Rao Gupta, former president of the International Center for Research on Women (ICRW), with the 2011 Commitment to Development “Ideas in Action” Award. The award recognizes Rao Gupta’s work providing strong leadership in ensuring a steady flow of research evidence about how to translate advocacy for women in the developing world into policy priorities and practical programs. Bestowed annually since 2003, the award honors an individual or organization for changing the attitudes, policies, and practices of the rich world toward the developing world. CGD president Nancy Birdsall and senior associate at the Carnegie Endowment for International Peace Moisés Naím co-chair a selection panel that includes distinguished leaders of the development community. Previous winners include U.S. and international policymakers, nongovernmental organizations, and entrepreneurs.

- 2011: Geeta Rao Gupta
- 2010: Publish What You Pay
- 2009: Diego Hidalgo Schnur
- 2008: The ONE Campaign
- 2007: Global Witness
- 2006: U.S. Congressman Jim Kolbe
- 2005: Gordon Brown,
Chancellor of the Exchequer,
Treasury of the United Kingdom
- 2004: Oxfam International’s
Make Trade Fair Campaign
- 2003: The Utstein Group—Clare Short of the
United Kingdom, Hilde Frafjord Johnson
of Norway, Heidemarie Wiczorek-Zeul
of Germany, and Eveline Herfkens of
the Netherlands



Rori Kramer, Senior Legislative Assistant in the Office of Senator Cardin with Isabell Munilla, recipient of the 2010 award on behalf of Publish What You Pay United States.



Founding Directors Patrick Alley and Simon Taylor receive the 2007 CDA Award on behalf of Global Witness, a British NGO that has worked tirelessly to tackle the exploit of natural resources in Southeast Asia and Africa.



Since 2003, CGD and *Foreign Policy* have jointly sponsored the annual Commitment to Development Award. From left: CGD Board Chair Ed Scott, Head of Oxfam International’s Make Trade Fair Campaign Phil Bloomer, CGD President Nancy Birdsall, founder of the United Nations Millennium Development Goals Campaign Eveline Herfkens, and former *Foreign Policy* Editor-in-Chief Moisés Naim at the event honoring Oxfam in 2004.



Nancy Birdsall and *Foreign Policy* Editor-in-Chief Susan Glasser with the 2011 winner, former President of the International Center for Research on Women (ICRW) Geeta Rao Gupta, who was honored for her numerous contributions to the field of gender and development.



Media

People who know CGD only from media reports and the internet are often surprised to discover that the Center has only about 60 full-time staff. In 2011, CGD experts were quoted or cited in more than 3,000 media reports including those in such influential outlets as the BBC, CNN, *The Economist*, *Financial Times*, *Foreign Policy*, NPR, *The New York Times*, PBS, *The Washington Post*, and *The Wall Street Journal*. We expanded our presence on such social media platforms as Facebook, LinkedIn, Picasa, and YouTube. Our institutional Twitter account, @CDGEV, had 13,000 followers at the end of the year, and CGD experts had a total of more than 25,000 followers.



Institutional Support

(as of December 31, 2011)

In 2011, CGD counted many foundations and governments, as well as a growing number of individuals and corporations among our supporters. We are grateful for their commitment to our mission and approach.

Grants, Gifts, and Awards

Anonymous (3)
Australian Agency for International Development (AusAID)
Bill & Melinda Gates Foundation
Canadian International Development Agency (CIDA)
The Community Foundation for the National Capitol Region
Margaret A. Cargill Foundation
The Connect U.S. Fund
Corporacion Andina de Fomento
Embassy of Denmark
Department for International Development (DfID)
Ewing Marion Kauffman Foundation
Finland Ministry of Foreign Affairs, Department of Development Policy
French Ministry of Foreign Affairs
Fundacion Carolina
German Federal Ministry for Economic Cooperation and Development
Grousbeck Family Foundation
Humanity United
International Development Research Centre (IDRC)
Joffe Charitable Trust
The John D. and Catherine T. MacArthur Foundation
The MasterCard Foundation
Netherlands Ministry of Foreign Affairs
Norwegian Ministry of Foreign Affairs
The Rockefeller Foundation
Open Society Institute

Seattle International Foundation
Swedish International Development Agency
Swedish Ministry of Foreign Affairs
Tides Foundation
Tinker Foundation
Wallace Genetic Foundation
The William and Flora Hewlett Foundation
World Bank Group



Current and former Board members Susan Levine, Tom Gibian, and Jessica Einhorn listen to Partners Council member Dan Morrow at the CGD@10 Prosperity Policy Breakfast, "Multilateral Institutions in a G-20 World," an event marking the Center's 10th Anniversary.



CENTER FOR GLOBAL DEVELOPMENT
PARTNERS COUNCIL

A network of business and civic leaders who share our commitment to global prosperity and equity, the Partners Council is a non-governing membership body whose participants strengthen CGD and its work through financial contributions, by attracting other potential supporters, and by serving as advocates for CGD's mission in their professional and social communities.

Chairman's Circle (\$50,000+)

Anonymous (2)
Chevron
De Beers
Goldman, Sachs & Co.
McKinsey & Company, Social Sector Office
Edward Scott Jr.

President's Circle (\$25,000+)

Caterpillar
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Sheryl Sandberg
Smita Singh & Tim Westergren
Patty Stonesifer & Michael Kinsley

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Jessica Einhorn
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Angel Gurria Treviño
Michael Hastings
Mark Malloch-Brown
Felicia & Daniel Morrow
Deepa Narayan
Jennifer Potter
S. Jacob Scherr
Witney Schneidman

Gifts of \$500-\$1,500

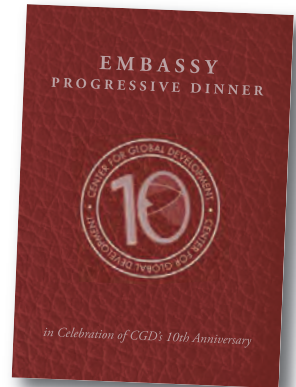
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Girindre Beeharry
Shantayanan Devarajan
Whitney Debevoise
John Hicklin
Joel Golden
Frederick Goldberg
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Jose Angel Gurria Trevino
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Daniel Kress
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Gifts of \$150-\$500

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Kojo Busia
Gerard Caprio
Barry Carter
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Erich Vogt
Sherie Welch
John Westley
Eric Wind
Chris Wolz
Gregory Woods
Ian Wronski
Prashant Yadav
Yang-Ro Yoon
Johnny Young

Gifts under \$150

Anonymous
Susan & Edward Elmendorf
Nels Granholm
Marshall Hoffman
Anthony Ody
Damian Ondo



Byron Auguste, William and Flora Helwett Foundation Board Member and Managing Director of McKinsey & Company's Social Sector Office, announcing Hewlett's \$5 million anniversary challenge pledge to CGD at the Embassy Progressive Dinner.



Partners Council members Walter Gelens, Diana Munro de Akkanto, and Steve Cashin at the Spring 2011 Partners Council breakfast that featured the South African Ambassador to the United States, Emrahim Rasool.

Financials

Statement of Financial Position as of December 31, 2011
With Summarized Financial Information For 2010

ASSETS

Current Assets	2011	2010
Cash and cash equivalents	\$8,762,877	\$6,121,682
Investments	17,141,964	15,742,800
Pledges receivable, current portion	55,000	573,094
Grants receivable, current portion	3,233,597	4,379,079
Accounts receivable	78,809	1,076
Prepaid expenses	177,802	51,872
Deferred rents receivable	24,576	-
Total current assets	29,474,625	26,869,603

Fixed Assets

Furniture	408,265	408,265
Computer equipment	310,511	272,062
Leasehold improvements	605,113	657,799
	1,323,889	1,338,126
Less: Accumulated depreciation and amortization	(680,569)	(592,507)
Net fixed assets	643,320	745,619

Other Assets

Pledges receivable, net of current portion	3,079,100	3,545,452
Grants receivable, net of current portion	6,013,332	657,045
Certificate of deposit restricted	184,789	184,789
Total other assets	9,277,221	4,387,286

TOTAL ASSETS	\$ 39,395,166	\$ 32,002,508
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LIABILITIES AND NET ASSETS

Current Liabilities	2011	2010
Accounts payable and accrued liabilities	\$137,296	\$76,235
Accrued salaries and related benefits	342,666	311,868
Deferred rent, current portion	-	52,542
Deferred rental income	88,992	19,089
Total current liabilities	568,954	459,734

Long-Term Liabilities

Deferred rent, net of current portion	412,644	322,754
Other liabilities	97,250	33,375
Total long-term liabilities	509,894	356,129

Total liabilities	1,078,848	815,863
--------------------------	------------------	----------------

Net Assets

Unrestricted	21,186,149	19,634,944
Temporarily restricted	17,130,169	11,551,701
Total net assets	38,316,318	31,186,645

TOTAL LIABILITIES AND NET ASSETS	\$39,395,166	\$32,002,508
---	---------------------	---------------------

Statement of Activities and Change in Net Assets for the Year Ended December 31, 2011 With Summarized Financial Information for 2010

REVENUE	2011			2010
	Unrestricted	Temporarily Restricted	Total	Total
Grants and contributions	\$3,843,949	\$6,730,937	\$10,574,886	\$6,822,069
Grant income - DFID	-	6,407,775	6,407,775	-
Contract revenue	753,792	-	753,792	701,076
Investment income	(841,806)	-	(841,806)	1,876,911
Service revenue	24,356	-	24,356	28,357
Net assets released from donor restrictions	7,560,244	(7,560,244)	-	-
Total revenue	11,340,535	5,578,468	16,919,003	9,428,413
EXPENSES				
Program Services	7,944,107	-	7,944,107	8,841,648
Supporting Services:				
Management and General	1,331,468	-	1,331,468	1,351,505
Fundraising	513,755	-	513,755	291,906
Total supporting services	1,845,223	-	1,845,223	1,643,411
Total expenses	9,789,330	-	9,789,330	10,485,059
Change in net assets	1,551,205	5,578,468	7,129,673	(1,056,646)
Net assets at beginning of year	19,634,944	11,551,701	31,186,645	32,243,291
NET ASSETS AT END OF YEAR	\$21,186,149	\$17,130,169	\$38,316,318	\$31,186,645

Additional Photo Captions and Credits

Photo Montage Captions (pg. 52):

- The Sabot family, along with CGD Board members and friends, listens to Kenneth Rogoff deliver the Fifth Annual Richard H. Sabot Lecture in April 2010. Rogoff discussed vulnerabilities of developing countries to financial crises, alternative approaches to mitigating risks and dealing with crises in the future, and the past and prospective roles of the IMF and the G-20.
- Tanzanian President Jakaya Kikwete and Nancy Birdsall at CGD for Kikwete's talk, "Power and Roads to Africa: A Tanzanian Perspective," in December 2007.
- CGD co-founder and Board chair Edward Scott addresses CGD staff and members of the Board and Partners Council at the 2010 Board dinner.
- Hillary Clinton delivering her first major development speech as U.S. Secretary of State at CGD in January 2010.
- Carol Lancaster (center), CGD Non-Resident Fellow and former USAID Deputy Administrator, leading a session on development and diplomacy at the 2009 Partners Council Summit with (from L to R) CGD Board member Jessica Einhorn; former Director of Rethinking U.S. Foreign Assistance Sheila Herling; Jennifer Potter, Initiative for Global Development; and Greg Hills, FSG Social Impact Advisors.
- CGD Board member Ngozi Okonjo-Iweala, Managing Director at the World Bank, and Joseph Stiglitz, Professor at Columbia University, at a policy breakfast hosted by CGD in New York to discuss the global development agenda ahead of the November Seoul G-20 Summit.
- Former UK Prime Minister Tony Blair during his 2010 speech at CGD. Blair spoke on development and, particularly, the work of his Africa Governance Initiative (AGI) to support good leaders on the continent.
- Nancy Birdsall and Christian Masset, General Director, French Ministry of Foreign and European Affairs, discuss the G-20 development agenda at a CGD policy breakfast ahead of the Seoul Summit.

- Geeta Rao Gupta, President, ICRW; Farah Mohamed, President, Belinda Stronach Foundation; CGD Board Member Belinda Stronach; Melanne Verwee, U.S. Ambassador-at-large for Global Women's Issues; Miriam Temin, co-author of *Start with a Girl*; and Rachel Vogelstein, Senior Policy Advisor in the Office of Global Women's Issues at the State Department at the launch of *Start with a Girl: A New Agenda for Global Health*.
- Then Acting President of Nigeria Goodluck Jonathan with Todd Moss at CGD in April 2010 for a small policy breakfast and major public speech on key issues facing Nigeria, including strengthening democratic institutions and increasing private investment.

Photo Montage Captions (pg. 53):

- Chief Economist for USAID and former CGD Senior Fellow Steve Radelet, next to Board member C. Fred Bergsten, asks a question at the Sixth Annual Richard H. Sabot Lecture, "Policies and Politics: Can Evidence Play a Role in the Fight Against Poverty?" featuring Esther Duflo.
- H.E. Wegger Chr. Strommen and Pekka Lintu with USAID Administrator Rajiv Shah at the Embassy Progressive Dinner in June 2011, an event which celebrated CGD's 10th Anniversary.
- James D. Wolfensohn, Ernesto Zedillo, Antoinette Sayeh, and Kemal Dervis participate in a panel discussion moderated by Nancy Birdsall at the CGD@10 Prosperity Policy Breakfast.
- Lael Brainard, Under-Secretary for International Affairs at the U.S. Department of Treasury, delivering the concluding remarks at the CGD event "Enabling Africa's Next Growth Decade: The G-20's Role in Supporting Infrastructure Development and Global Food Security," April 2011.
- Elizabeth Littlefield, President and CEO of the U.S. Overseas Private Investment Corporation and Bobby Pittman, Vice President for Infrastructure, Private Sector, and Regional Integration of the African Development Bank, at the CGD event "Enabling Africa's Next Growth Decade: The G-20's Role in Supporting Infrastructure Development and Global Food Security," April 2011.

- Paul O'Brien, Vice President for Policy and Advocacy at Oxfam America and member of CGD's Study Group on U.S. Development Strategy in Pakistan, asks a question at the CGD@10 Prosperity Policy Breakfast, June 2011.
- Commissioner of the U.S. Food and Drug Administration Margaret Hamburg was the keynote speaker at the launch of the CGD report *Safer, Faster, Cheaper: Improving Clinical Trials and Regulatory Pathways to Fight Neglected Diseases*, October 2011.
- Liberian President and Nobel Laureate Ellen Johnson Sirleaf with Todd Moss before Sirleaf's CGD-hosted event, "Emerging Africa and the Private Sector: A Liberian Perspective." During the event, Sirleaf set a target of Liberia being aid-free in ten years, a goal that CGD has helped support through its research.
- Christian Masset of the French Ministry of Foreign and European Affairs, Nancy Birdsall, and Michael Elliott, President and CEO of ONE, at CGD's G-20 Policy Breakfast Roundtable in New York City, September 2011.
- Nicky Oppenheimer, Jennifer Oppenheimer, Hewlett Foundation Board member Byron Augustine, and Jonathan Oppenheimer at the Embassy of Finland during CGD's Embassy Progressive Dinner, June 2011.
- Advisory Group members Carol Lancaster, Carol Graham, Jonathan Morduch, and Paul Romer at the March 2011 Advisory Group meeting.

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2011 Report



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