

The Power of Cooperation

Networks of creative collaboration can transform lives

President Bill Clinton

INTELLIGENCE, hard work, and ability are evenly distributed around the globe, but investment and opportunities are not. If we're to fulfill the promises of the 21st century, we need to find new ways to extend the circle of opportunity so that every person—in every country—has the chance to succeed, with systems, infrastructure, and networks that enable growth. When people are able to take control of their own destinies, it gives them something to look forward to every day and expands everyone's understanding of what is possible. It enhances the stability of societies, and equally important, it shifts the work of the international aid community from philanthropy to partnerships.

Our world is more interdependent than ever, and our effectiveness as global citizens will be judged by what we do to create an environment that allows everybody to do better and lift themselves up.

The good news is we can all do something, big or small, to advance opportunity. Enlightened government policies, like Brazil's *Bolsa Família* program, which pays families to send their children to school and to get annual checkups, have proved that countries can reduce income inequality while growing the national economy. Corporations are realizing that sales increase when societies and markets are strong and are increasingly integrating the public good into their business models. The number of nongovernmental organizations (NGOs) operating in all parts of the world has exploded in recent years, and technology now allows millions of people to donate small sums via text message or the Internet, democratizing charitable giving like never before and transforming NGOs' work in the field.

We're making the most progress in places where people have formed networks of creative cooperation—where stakeholders from government, business, and civil society have come together to do things better, faster, and cheaper than any could alone. This is what drives the Clinton Global Initiative (CGI), a meeting held in New York each September since 2005 around the opening of the UN General Assembly. We bring people together from all over the world: heads of state, business leaders, philanthropists, and nongovernmental pioneers, and we ask them to make a specific commitment to solve one of the world's most pressing problems.



President Bill Clinton is the founder of the William J. Clinton Foundation and 42nd President of the United States.

Through vigorous discussion, leaders from different sectors forge partnerships and develop innovative solutions to our modern challenges. For example, for the past two years Coca-Cola has lent its expertise in supply chain management to the Global Fund to Fight AIDS, Tuberculosis, and Malaria.

Together they've found better ways to get vital drugs and medical supplies to those who need them most, and at our meeting this September they announced expansion of the scope of the project. Gap, Inc., is working with a team of NGOs to start the Personal Achievement and Career Enhancement—P.A.C.E.—to empower female garment workers through skills training. The program began in India and has been so successful that partners have begun implementing it in Bangladesh, Cambodia, and Vietnam.

In eight years of CGI meetings, our members have made more than 2,300 commitments across a diverse range of issues—reducing poverty, creating educational opportunities, resolving conflict, and pioneering green technology, to name a few. Their commitments have improved the lives of over 400 million people in more than 180 countries, and once fully funded and implemented they will total more than \$73.1 billion. Our members continue to prove how much we can accomplish when we work together, and they help answer the “how” question—how can we transform good intentions into real improvements in people's lives?

Over the years, I've found that within networks of creative cooperation, NGOs are uniquely positioned to answer this question. NGOs often measure themselves by the long-term human benefits they generate—which allows them to take risks and figure out what works. Then they can work to take the solutions to scale with partners in government and the private sector. And the best NGOs are those that conceive projects from day one with the explicit purpose of working themselves out of a job by empowering citizens to take over without reliance on external donations.

I learned firsthand about the power of the “how” question shortly after leaving office. For the 30 years I was in politics, we mostly debated only two questions: what are you going to do, and how much money are you going to spend on it? When my foundation was approached to help solve the AIDS

crisis in 2002, I quickly realized the flexibility NGOs have to address global problems.

At that time, only 230,000 people in the developing world were receiving HIV/AIDS treatment because the prices of anti-retroviral medications were prohibitively high. It wasn't just the costs of production that made them so expensive—the manufacturers had to build in a precautionary high profit margin because payment from low-income countries was uncertain. At the time, it was the only way they could stay in business.

I thought that if we could put together enough donors to guarantee prompt payment, we could convince the drug makers to change to a high-volume, low-margin business model. So my foundation approached wealthier governments to help buy generic drugs for the developing countries that had asked for my assistance, and we were able to get several—led by Ireland and Canada—to commit.

Our team, led by Ira Magaziner, sat down with the manufacturers and argued that they would make more money if they lowered their prices. If we were wrong, I promised, we would rewrite the contracts so they wouldn't take a loss. They agreed, and today more than 8 million people in developing countries receive lifesaving treatment at a much lower cost—more than half under contracts we negotiated. And the drug companies' profits are better than under the old model. They were able to align their financial interests with our social ones, and everyone came out a winner.

This experience taught me the power of NGOs—working with businesses and governments—to expand and organize markets in a way that enables people to help themselves. My foundation put this idea into practice in the poorest farming regions of Africa, where people have the skills and the will to succeed but lack the tools to do so.

At our Anchor Farm Project in Malawi, we operate a large farm that partners with thousands of nearby smallholders so they can buy seed and fertilizer at bulk prices. We also provide direct access to the market—most farmers don't own a wagon, let alone an automobile, so they often must pay a middleman about half their yearly income just to transport their crops.

The results have been remarkable. The talented smallholder farmers who have worked with us are reaping better yields and, on average, have increased their incomes fivefold. They are forging their own paths out of poverty with a system that is life-changing and sustainable.

This model, if scaled up, has the potential to dramatically improve the quality of life in agriculture-based nations across the developing world. It can help governments use their valuable farmland in a way that boosts domestic food security, reduces reliance on imports, takes advantage of export opportunities, and increases farm productivity and incomes. It means countries can begin to build the capacity they need to succeed without foreign aid.

A similar market-based approach can address any number of challenges. My foundation works on several programs in Colombia with Canadian philanthropist Frank Giustra,

who found success in Latin America's mining industry and has since devoted himself to empowering the local communities there. We're helping small-scale local vendors share in the benefits of the country's successful tourism industry by connecting them with large luxury hotels. We've started the country's first on-site job certification program for construction workers, which has already provided free training for more than 5,000 people. We've worked with Shakira's Fundación Pies Descalzos to provide nutritious meals, vocational training, and educational assistance to more than 4,000 students throughout Colombia.

Frank and I have also joined with Fundación Carlos Slim to start a \$20 million investment fund to help small and medium-sized enterprises expand their operations. They employ about 30 percent of Colombia's labor force, but are severely underserved by existing capital markets. We've set up a similar fund in Haiti to help small and medium-sized enterprises overcome the obstacles to growth they have long faced, which were made even more challenging by the devastating 2010 earthquake.

These two funds carefully invest in businesses that, just like the smallholder farmers in Malawi, show every potential to succeed once given the opportunity to overcome the disadvantages of poverty and geography with targeted assistance.

In today's interdependent world, we all have a vital stake in helping other people succeed. When I look around the world today, I am convinced the positive forces of our interdependence will beat out the negative.

I feel optimistic when I see the death rates from AIDS, tuberculosis, and malaria going down. I feel optimistic when I see poor communities putting more girls in school than ever before, an investment with an amazingly outsized rate of return. I feel optimistic when I see NGOs like Partners in Health, the Bill & Melinda Gates Foundation, and the Starkey Hearing Foundation touching lives. I feel optimistic when I see large corporations like Procter & Gamble, Walmart, and Deutsche Bank aligning their financial interests with our social ones, and sharing their expertise with civil society. I feel optimistic when I see countries like Ireland, Norway, and the United Kingdom heroically preserving their foreign aid budgets amid a weak global economy.

As the biologist Edward O. Wilson details in *The Social Conquest of Earth*, the planet's most successful species are the great cooperators: ants, bees, termites, and humans. We humans enjoy the blessings and bear the burdens of consciousness and conscience. We are capable of self-destruction, but we have an amazing capacity to overcome adversity and seize opportunities when we choose cooperation over conflict.

We make the best decisions when we talk to people who know things we don't and understand things differently. If NGOs, businesses, and governments can work together creatively, we can help all the world's people live in dignity. We can all be effective global citizens. ■

The planet's most successful species are the great cooperators.