

CITY CLUB
17 DEC 2010

NEAL KENY-GUYER, CEO OF MERCY CORPS

SHARON, THANK YOU FOR THAT KIND INTRODUCTION! I'M AT LEAST GLAD THAT MY BRIDE WAS HERE TO HEAR THAT. ... BECAUSE IN PORTLAND, I'M BETTER KNOWN NOT AS THE CEO OF MERCY CORPS, BUT AS THE HUSBAND OF ALISSA. WHICH IS FITTING BECAUSE TODAY IS OUR 21ST ANNIVERSARY! AND AS MUCH AS ANYONE I KNOW, SHE EMBRACES THROUGH HER OWN WORK AT OREGON SOLUTIONS THE CITY CLUB'S ETHOS OF COLLABORATIVE COMMUNITY ENGAGEMENT.

GOOD AFTERNOON! I AM SO DELIGHTED, SO HONORED TO BE HERE WITH YOU, TO BE BACK AT CITY CLUB – PORTLAND'S PREEMINENT FORUM FOR CIVIC ENGAGEMENT. AND LET ME THANK ALL OF YOU – HERE TODAY AND LISTENING ON OPB – FOR THE WONDERFUL WORK THAT YOU DO TO MAKE OUR COMMUNITY, OUR CITY, OUR COUNTRY AND OUR WORLD A BETTER, MORE FAIR, MORE JUST, MORE LIVABLE PLACE.

WITH THAT IN MIND, I HAVE ONE ADVERTISEMENT TODAY – AND THAT IS FOR CITY CLUB. RENEW YOUR MEMBERSHIP... TODAY, NOW, BEFORE THE END OF THE YEAR! IT IS IMPORTANT.

I ALSO KNOW THAT THERE ARE MANY SUPPORTERS OF MC IN THIS ROOM AND LISTENING, AND I THANK YOU. HOME TOWN SUPPORT IS SO VERY SPECIAL. WE ARE THE ENVY OF MANY OF OUR COLLEAGUE ORGANIZATIONS. AND PLEASE, ESPECIALLY IF YOU HAVEN'T, COME ON DOWN AND VISIT THE MC ACTION CENTER. JULIE MANCINI AND HER TEAM HAVE A GREAT ARRAY OF EDUCATIONAL AND ENGAGEMENT ACTIVITIES.

ABOUT MERCY CORPS

I HOPE YOU DON'T MIND IF I START BY GIVING A QUICK OVERVIEW OF MERCY CORPS, NOT AS AN ADVERTISEMENT -- WELL MAYBE ONLY A SMALL BIT OF PROMOTION. AND THEN I THOUGHT I'D SHARE WITH YOU THE EIGHT LESSONS OF SUCCESS THAT I'VE LEARNED IN MY YEARS OF WORK LEADING A HUMANITARIAN ORGANIZATION, AND THAT I THINK ARE REFLECTED IN THE WORK OF MERCY CORPS. I ALSO REALLY LOOK FORWARD TO THE HARD-HITTING QUESTIONS FOR WHICH CITY CLUB IS FAMOUS – MAYBE SOME ON AFGHANISTAN, PAKISTAN, NORTH KOREA...

AS SHARON SAID, WE WERE FOUNDED ABOUT 30 YEARS AGO, IN RESPONSE TO THE KILLING FIELDS OF CAMBODIA, AND WE HAVE NOW GROWN INTO A GLOBAL INTERNATIONAL NGO THAT WORKS IN 40 COUNTRIES, WITH AN ANNUAL BUDGET, IF YOU INCLUDE ALL OF OUR MICROFINANCE PROGRAMS, OF OVER \$650M, AND A GLOBAL TEAM OF 4,000. WE WORK IN THE WORLD'S TOUGHEST PLACES -- SUDAN, SOMALIA, AFGHANISTAN, PAKISTAN, HAITI, IRAQ AND NORTH KOREA – THE SO-CALLED FRAGILE AND FAILING STATES. WHENEVER NATURAL DISASTER, POLITICAL CRISIS AND CONFLICT, OR ECONOMIC COLLAPSE HAPPENS, WE AIM TO BE AMONG THE WORLD'S BEST AT MOBILIZING THOSE COMMUNITIES IMPACTED FOR THEIR OWN RELIEF AND RECOVERY, UNDERGIRDING RECOVERY WITH ECONOMIC DEVELOPMENT AND SOCIAL INNOVATION, AND LAYING FOUNDATIONS FOR LONG-TERM DEVELOPMENT, FOR ACHIEVING SECURE, PRODUCTIVE, JUST AND PEACEFUL COMMUNITIES. WE ALSO WORK HERE IN THE US, ESPECIALLY IN THE GREATER PORTLAND AREA. I WOULD BE REMISS NOT TO NOTE THE EXCELLENT WORK OF JOHN HAINES AND HIS MC NORTHWEST TEAM.

I ALSO HAVE TO NOTE AND THANK THE MANY MERCY CORPS FRONTLINE FOLKS AND THOSE FRONTLINE FOLKS WHO WORK ON THE FRONT LINES IN THE WORLD'S MOST DANGEROUS PLACES. I WORRY EVERYDAY ABOUT THE SAFETY AND WELL-BEING OF THESE TEAM MEMBERS. IN THE COURSE OF MERCY CORPS' HISTORY, WE HAVE LOST 10 PEOPLE TO VIOLENCE IN

THE LINE OF DUTY. SOME OF YOU MAY HAVE READ ABOUT OUR MOST RECENT TRAGEDY IN PAKISTAN, WHERE WE HAD FOUR STAFF KIDNAPPED, AND ONE WAS KILLED, AND WE JUST MANAGED TO GET THREE BACK HOME SAFELY. ANOTHER REASON YOUR SUPPORT IS SO APPRECIATED.

SEVEN LESSONS FOR SUCCESS AND IMPACT

I HAVE BEEN DOING HUMANITARIAN RELIEF AND DEVELOPMENT WORK FOR MOST OF MY ADULT LIFE. AND I LOVE IT. I AM BLESSED WITH THE BEST JOB. HERE ARE EIGHT KEY LESSONS I HAVE LEARNED – LESSONS THAT ARE REFLECTED IN MERCY CORPS TODAY.

1. FOCUS ON THE BOTTOM BILLION.

THE ECONOMIST PAUL COLLIER COINED THIS TERM. BY THE WAY, I HIGHLY RECOMMEND HIS BOOK. FOR TOO LONG THE AID COMMUNITY HAS TALKED ABOUT ENDING POVERTY IN THE DEVELOPING WORLD, MAKING THE DEVELOPING WORLD LIKE THE DEVELOPED WORLD. THE FACT OF THE MATTER IS THAT MUCH OF THE DEVELOPING WORLD IS ADVANCING, THOUGH NOT ALWAYS EQUALLY AND NOT WITHOUT VULNERABILITIES. STILL, PROGRESS IS HAPPENING – LARGELY DUE TO GLOBALIZATION AND DECENT GOVERNANCE. LOOK AT INDIA, CHINA, BRAZIL. THERE IS HUGE PROGRESS.

HOWEVER, THERE REMAINS, DESPITE GLOBALIZATION AND ALL THE AID EFFORTS, ABOUT A BILLION PEOPLE LEFT PROFOUNDLY BEHIND IN COUNTRIES THAT ARE OFTEN FALLING APART. THESE PEOPLE ARE NOT SIMPLY POOR; THEY ARE TRAPPED BY CONSTANT CONFLICT, POOR GOVERNANCE, AND LACK OF RULE OF LAW – IN ADDITION TO EXTREME POVERTY. TRADITIONAL AID INTERVENTIONS HAVE HAD ONLY MARGINAL IMPACT IN IMPROVING THEIR PLIGHT. SO INSTEAD OF A SHOTGUN APPROACH TO AID, WE NEED TO FOCUS ON THE BOTTOM BILLION IN ABOUT 50 COUNTRIES -- TWO-THIRDS OF WHOM LIVE IN AFRICA. I REALLY BELIEVE WE WON'T END POVERTY IN OUR LIFETIMES, IF WE DON'T HAVE A

MORE LASER-LIKE FOCUS ON THE BOTTOM BILLION.

HERE ARE SOME STARTLING STATISTICS: IN PLACES WHERE THE BOTTOM BILLION LIVE, LIFE EXPECTANCY IS 50 YEARS; IN THE REST OF THE DEVELOPING (NOT THE DEVELOPED) WORLD, IT IS 68. CHILD MORTALITY IS 15%, IN THE REST OF THE DEVELOPING WORLD IT IS 4%. CHILDREN'S MALNUTRITION IS 36%, IN THE REST OF THE DEVELOPING WORLD IT IS LESS THAN 20%. AMONG THE BOTTOM BILLION COUNTRIES, ECONOMIC GROWTH HAS STAGNATED OR DECLINED OVER THE PAST 25 YEARS; IN THE REST OF THE DEVELOPING WORLD, IT HAS AVERAGED 4% GROWTH. SO WE HAVE TO FOCUS ON THE BOTTOM BILLION IF WE ARE TO CREATE A MORE PEACEFUL, STABLE AND JUST WORLD. WE HAVE TO FOCUS ON THE FRAGILE AND FAILING STATES, AND THAT'S WHERE MERCY CORPS WORKS.

2. VIEW CRISIS AS OPPORTUNITY.

A CHINESE PROVERB SAYS THAT CRISIS IS OPPORTUNITY RIDING A DANGEROUS WIND...OR THE TAIL OF A DRAGON. THAT'S A WAY OF FRAMING MERCY CORPS' WORLD VIEW: WE HAVE FOUND THAT DURING TIMES OF CONFLICT, NATURAL DISASTER, OR ECONOMIC COLLAPSE, THAT CRISIS IS AN OPENING FOR POSITIVE CHANGE. OLD SYSTEMS ARE DISRUPTED, OLD ASSUMPTIONS ARE CHALLENGED, OLD SOLUTIONS ARE JUDGED INSUFFICIENT. IT GIVES US THE CHANCE TO BUILD BACK BETTER, AS PRESIDENT CLINTON PUT IT. WE'VE SEEN, IN OUR 30 YEARS OF DOING HUMANITARIAN RELIEF AND DEVELOPMENT WORK AROUND THE WORLD, THAT WHERE THERE IS DISASTER, TURMOIL AND COLLAPSE, THERE ARE ALWAYS, ALWAYS, INCREDIBLE OPPORTUNITIES FOR POSITIVE CHANGE. AT THAT VERY INTERSECTION OF EXTREME POVERTY, FRAGILE OR FAILING STATES AND CONFLICT OR DISASTER, THAT'S WHERE MERCY CORPS AND MANY OTHERS ARE ABLE TO ADD THE GREATEST VALUE AS AN INTERNATIONAL AGENCY.

TAKE HAITI, WHICH IS STILL VIVID AND FRESH IN OUR MINDS, ALMOST 1

YEAR AFTER THE DEVASTATING EARTHQUAKE OF JANUARY 12. I WENT THERE ON ABOUT DAY FIVE. I CANNOT FORGET WHAT I SAW. IN MY 30 YEARS OF WITNESSING HUMANITARIAN CRISES, I HAVE SEEN NONE WORSE, NOR MORE CHALLENGING FOR THE INTERNATIONAL COMMUNITY, THAN HAITI. YOU HAD SO MANY FRONTLINE WORKERS KILLED. THERE WERE 17 GOVERNMENT BUILDINGS COLLAPSED. THE HEADQUARTERS OF THE UN COLLAPSED, TAKING WITH IT SO MANY FRONTLINE WORKERS. IT WAS SUCH A DEVASTATING SITUATION.

BUT IN HAITI, THE REASON IT WAS SO DEVASTATING WAS BECAUSE OF THE CHALLENGES THAT EXISTED BEFORE THE EARTHQUAKE, AND THE LACK OF RULE OF LAW THAT ENFORCED EARTHQUAKE CODES. THEY HAD EARTHQUAKE CODES – THEY JUST WERE NOT ENFORCED.

HAITI WAS ALREADY SO POOR BEFORE THE EARTHQUAKE. 55% OF THE PEOPLE LIVED IN EXTREME POVERTY – ON LESS THAN \$1.25/DAY. 58% OF THE CHILDREN WERE MALNOURISHED. 58% OF THE PEOPLE HAD NO ACCESS TO CLEAN WATER. NOW THERE ARE 200,000 DEAD, OVER A MILLION PEOPLE DISPLACED AND BILLIONS OF DOLLARS IN DAMAGES... NOW THERE IS CHOLERA! SO YOU CAN'T TALK ABOUT ANY KIND OF SILVER LINING WHEN SO MANY THOUSANDS OF FATHERS, MOTHERS AND CHILDREN DIED.

BUT IF THERE IS ANY REDEMPTION TO BE FOUND IN SUCH A TRAGEDY, IT IS IN THE GLOBAL WILL, THE RESOURCES, AND THE ATTENTION THAT HAVE BEEN MOBILIZED. IF THESE ARE SUSTAINED WISELY, THERE TRULY COULD BE AN OPPORTUNITY TO ADDRESS THE ROOT CAUSES OF HAITI'S POVERTY AND SUFFERING. THAT IS THE REDEMPTION. YET WE HAVE TO GET IT RIGHT, IN OUR PRINCIPLES AND IN OUR APPROACH – WHICH LEADS ME TO THE THIRD LESSON.

3. PUT PEOPLE FIRST.

THIS SEEMS OBVIOUS. BUT IN OUR WORLD, MANY PEOPLE SEEM TO START WITH STRATEGIES HATCHED SOMEWHERE ELSE, THEY START WITH TECHNICAL SOLUTIONS, AND YOU HAVE TO START WITH PEOPLE. IF THERE IS A TRUTH IN OUR WORK, IT'S THIS: IN EVERY CRISIS OR DISASTER, THE PEOPLE MOST AFFECTED ARE ALWAYS THE BEST AGENTS OF THEIR OWN RECOVERY. SO FROM DAY ONE WE NEED TO BE CONSULTING THEM, GETTING THEIR IDEAS, ENGAGING THEM DIRECTLY IN RELIEF AND RECOVERY, AND CONNECTING THEM TO MARKETS AND GOVERNMENT.

I'LL GIVE YOU JUST A QUICK EXAMPLE. DURING THE TSUNAMI, WHICH CAUSED SUCH DAMAGE IN ACEH, INDONESIA, THERE WERE SO MANY PEOPLE DISPLACED FROM THEIR HOMES, AND THESE PEOPLE WANTED TO HELP. THEY DID NOT WANT TO SIT IN CAMPS WAITING FOR THE AGENCIES TO DISTRIBUTE FOOD. THEY WANTED TO HELP. SO WE CREATED A PROGRAM WHICH WE CALL CASH-FOR-WORK [ED NOTE: MERCY CORPS DID NOT INVENT CASH-FOR-WORK, BUT WAS ONE OF THE EARLY AGENCIES TO WIDELY DEPLOY IT IN POST-DISASTER ENVIRONMENTS], IT WAS REALLY A WAY TO ENGAGE THOSE MOST IMPACTED, IN CLEARING ROADS, IN GOING INTO COMMUNITIES TO CLEAR AND REPAIR INFRASTRUCTURE. AT ONE POINT WE HAD 26,000 PEOPLE EVERY DAY, REBUILDING THEIR OWN COMMUNITIES. THAT WAS SO IMPORTANT FOR THEIR OWN DIGNITY, AND IT PUT MONEY IN THEIR POCKETS, WHICH WAS SO IMPORTANT FOR HELPING THE PRIVATE SECTOR RECOVER. AND WE KNOW, WHEN YOU CAN RECOVER THE PRIVATE SECTOR, THE WHOLE QUALITY AND PACE OF THE OVERALL RECOVERY EFFORT IS MUCH HIGHER.

4. WHILE PUTTING PEOPLE FIRST, FOCUS ON YOUTH – ESPECIALLY THE DEMOGRAPHIC YOUTH BULGE.

HERE I AM NOT TALKING ABOUT WAIST LINES BUT THE POTENTIAL FOR WASTED LIVES...AS WELL AS THE NEED TO PROVIDE POSITIVE PATHWAYS FOR YOUTH.

HALF THE WORLD'S POPULATION IS UNDER 25. IN THE MIDDLE EAST, 65 PERCENT OF THE POPULATION IS UNDER 30.

YOUNG PEOPLE ARE THE LARGEST DEMOGRAPHIC GROUP IN SOME OF THE POOREST, MOST UNSTABLE AND CONFLICT-RIDDEN PLACES ON EARTH.

OVER THE NEXT DECADE, OVER A BILLION YOUNG PEOPLE WILL ENTER THE GLOBAL LABOR MARKET. BUT LESS THAN A THIRD OF THEM ARE LIKELY TO FIND JOBS. THE HIGHEST YOUTH UNEMPLOYMENT WILL BE IN NORTH AFRICA AND THE MIDDLE EAST – WITH SECURITY IMPLICATIONS FOR US ALL.

MANY OF THESE YOUNG PEOPLE ARE MARGINALIZED IN THEIR COMMUNITIES. THEY'RE NOT INCLUDED IN LOCAL OR NATIONAL DECISION MAKING. SO THEY FEEL ISOLATED AND POWERLESS TO EFFECT CHANGE. THIS IS ESPECIALLY TRUE FOR GIRLS AND YOUNG WOMEN. WITHOUT OPPORTUNITIES, WITHOUT HEALTHY CONNECTIONS TO THEIR COMMUNITIES, WITHOUT OPTIMISM FOR THEIR OWN FUTURES, THESE YOUNG PEOPLE BECOME VERY SUSCEPTIBLE.

THEY ARE VULNERABLE TO THE INFLUENCES OF RADICALISM AND COERCIVE POLITICAL MOVEMENTS. THEY ARE VULNERABLE TO RISKY BEHAVIORS, CRIME, AND CORRUPTION. THEY MAY LEAVE HOME TO FOLLOW A DUBIOUS CAUSE.

WE SEE THIS ALL OVER THE WORLD: ...SOMALI PIRATES ... CHILD SOLDIERS IN COLOMBIA, CONGO, SRI LANKA AND UGANDA, MANY OF THEM RECRUITED AS YOUNG AS 10 YEARS OLD ...SEX TRAFFICKING THROUGHOUT ASIA AND THE PACIFIC AND EVEN HERE IN THE US. WE SEE YOUNG PEOPLE FALLING PREY TO ALL KINDS OF DANGERS. WE SEE IT ON 82ND AVENUE. AND UP AND DOWN THE I-5 CORRIDOR.

AND WE SEE IT IN PIONEER SQUARE, PORTLAND'S OWN "LIVING ROOM," WHERE A DISAFFECTED YOUNG SOMALI MAN – A KID WHO WAS RAISED HERE, BUT WHO MAY HAVE LATCHED ONTO DANGEROUS IDEOLOGIES – ALLEDGEDLY NEARLY TOOK OUT HIS RAGE AND HOPELESSNESS BY CAUSING GREAT HARM TO OTHERS.

THESE YOUNG PEOPLE – ALL OF THEM – ARE OUR COLLECTIVE FUTURE.

AT THE SAME TIME, THERE ARE LOTS OF WONDERFUL YOUNG PEOPLE WHO ARE EAGER TO MAKE A POSITIVE DIFFERENCE IN THEIR COMMUNITIES, TO GROW UP HEALTHY, TO BE ABLE TO SUPPORT AND PROTECT THEIR FAMILIES, TO CONNECT TO A WORLD LARGER THAN THEMSELVES, AND TO SEE THAT THEIR FUTURES ARE BRIGHT, THEIR LIVES HAVE MEANING.

THIS LEADS ME TO LESSON #5.

5. FIND AND SUPPORT THE HEROES, THE BRIGHT LIGHTS – ESPECIALLY AMONG YOUTH.

ONE OF THE GREAT BLESSINGS OF MY WORK IS TO MEET THE MOST EXTRAORDINARY INDIVIDUALS, WHO HAVING SUFFERED GREATLY, WHO MAY HAVE LOST LOVED ONES, CONTINUE TO ACT WITH AMAZING GRACE, INTEGRITY, VISION AND COURAGE. THEY ARE THE BEST CHANGE-AGENTS. THEY ARE THE POSITIVE FORCES FOR TRANSFORMATION.

IT REMINDS ME OF A STORY THAT I HEARD FROM A COMMENCEMENT SPEAKER THIS YEAR. THERE IS ALWAYS THE QUESTION, HOW DID LIFE BEGIN? SO SCIENTISTS ARE SAYING, IT'S SIMPLE, APPARENTLY, IN THAT PRIMORDIAL SOUP, THE POSITIVE FORCES WERE GREATER THAN THE NEGATIVE FORCES. AND THE SPEAKER SAID, EVEN IF THAT IS NOT TRUE, ISN'T THAT A GREAT PARADIGM FOR HOW WE SHOULD LIVE OUR LIVES? THE POSITIVE FORCES ARE GREATER THAN THE NEGATIVE FORCES.

NO ONE REMEMBERS THE NAYSAYERS OF OUR WORLD, AND THAT'S WHY IT'S SO IMPORTANT TO FOCUS ON THESE HEROES, THE BRIGHT LIGHTS. I WAS RECENTLY IN GAZA, AND IT REMINDS ME OF THE STORY OF YOUNG MAN I MET THERE JUST AFTER THE CONFLICT BETWEEN ISRAEL AND HAMAS. MERCY CORPS HAD BEEN WORKING WITH YOUNG PEOPLE IN GAZA, TO ENGAGE THEM IN COMMUNITY SERVICE. AND THERE WAS A YOUNG MAN, 20 YEARS OLD, AND THIS WAS RIGHT AFTER THE CONFLICT – I THINK I WAS ONE OF THE FIRST INTERNATIONAL PEOPLE ALLOWED IN, AND THERE WAS A LOT OF RUBBLE, AND DESTRUCTION. AND THE TV CAMERAS WERE THERE, ALWAYS LOOKING FOR THE STORY, THE ANGLE. AND THE CAMERA FOUND THIS YOUNG MAN, AHMED, AND THE REPORTER LEANED DOWN, AND SAID, "DOESN'T ALL THAT HAS HAPPENED MAKE YOU WANT TO PICK UP THE GUN?" AND AHMED LEANED CLOSER, SO OF COURSE THE CAMERA LEANS CLOSER, AND HE SAYS, "YES. THE GUN OF KNOWLEDGE." SO YOU HAVE TO FIND THE HEROES, SUPPORT THE BRIGHT LIGHTS – ESPECIALLY AMONG OUR YOUTH.

6. CATALYZE PARTNERSHIPS BETWEEN AND AMONG CIVIL SOCIETY, THE PRIVATE SECTOR AND GOVERNMENT.

IN MY VIEW, THESE PARTNERSHIPS ARE THE FOUNDATION ON WHICH ALL LASTING, POSITIVE SOCIAL CHANGE RESTS – WHETHER HERE LOCALLY, NATIONALLY OR, FRANKLY, ANYWHERE IN THE WORLD. MC'S VISION FOR CHANGE IS THAT PEACEFUL, SECURE, JUST SOCIETIES EMERGE WHEN THE PRIVATE, PUBLIC AND CIVIL SOCIETY SECTORS ARE ABLE TO INTERACT WITH ACCOUNTABILITY, INCLUSIVE PARTICIPATION AND MECHANISMS FOR PEACEFUL CHANGE. WHEN YOU GET THAT MIX AND TIMING RIGHT, PROGRESS CAN BE SUSTAINED. THE MIX MAY VARY FROM COUNTRY TO COUNTRY BUT THERE IS NO REPLACEMENT FORMULA FOR COMMUNITY-LED, MARKET-DRIVEN, POLICY-BASED SOLUTIONS – IF SOCIAL CHANGE IS TO SCALE WITH POSITIVE, LASTING IMPACT.

7. PROMOTE SOCIAL INNOVATION.

THIS IS ABSOLUTELY CRITICAL. IT MAY BE MOST IMPORTANT AND OFTEN MOST MISSING INGREDIENT IN MANY SOCIAL CHANGE OR SERVICE ORGANIZATIONS. LET'S BE HONEST WITH OURSELVES. NO SINGLE ORGANIZATION CAN SOLVE THE BIG SOCIAL CHALLENGES – LOCALLY AND CERTAINLY GLOBALLY. EVEN IF ALL THE NGOS JOIN HANDS, WHICH WOULD BE A GOOD THING, WE STILL WOULD FALL SHORT. THAT IS WHY, IN MY VIEW, THE ROLE OF INTERNATIONAL NGOS, SUCH AS MC, IS TO BE THE SOCIAL ENTREPRENEURS, THE SOCIAL INNOVATORS IN THE WORLD. WE ARE CHARGED WITH BRINGING ENTREPRENEURIAL IDEAS, CREATIVE PARTNERSHIPS AND DIFFERENT APPROACHES TO TRADITIONAL PROBLEMS AND CHALLENGES. HERE, I'M REALLY PROUD OF MERCY CORPS. I DON'T KNOW OF ANY OF THE MAINSTREAM RELIEF AND DEVELOPMENT ORGANIZATIONS WHO HAVE MORE POSITIONED IN THE SOCIAL INNOVATION SPACE THAN HAS MERCY CORPS.

TRADITIONAL APPROACHES TO SOCIAL PROGRESS AND BUILDING A BETTER WORLD – THE ONES BASED ON CHARITY, ON OLD FORMS OF PHILANTHROPY – ARE INADEQUATE TO SOLVE THE WORLD'S TOUGHEST PROBLEMS.

TRADITIONAL APPROACHES, WHILE WORTHY AND IMPORTANT, HAVE NOT ACHIEVED THE RESULTS, THE IMPACTS, THE SCALE NEEDED TO MEET THE MOST PRESSING PROBLEMS TODAY – ELIMINATING ABSOLUTE POVERTY, PROVIDING HEALTH CARE FOR ALL AND CLEAN WATER, TACKLING GLOBAL WARMING AND CLIMATE CHANGE. EVEN MORE SIGNIFICANTLY, TRADITIONAL APPROACHES HAVE NOT SURFACED AND SUSTAINED INNOVATIVE SOLUTIONS AND ENTREPRENEURIAL STRATEGIES TO SOLVING SOCIAL PROBLEMS.

THERE IS A NEW ERA FOR SOCIAL CHANGE AND PROGRESS EMERGING. IT GETS LABELED AS A NEW PARADIGM FOR CHANGE, NEW PHILANTHROPY, A NEW PARTNERSHIP BETWEEN BUSINESS AND SOCIETY. BILL GATES TALKS

ABOUT CREATIVE CAPITALISM AND MOHAMMED YUNUS, THE FATHER OF MICRO ENTERPRISE AND NOBEL PEACE PRIZE WINNER, CALLS FOR AN ERA OF SOCIAL ENTERPRISES.

WHATEVER WE CALL THIS NEW ERA, IT IS ALL ABOUT BRINGING THE POWER OF INNOVATION AND ENTREPRENEURSHIP (THE KEY DRIVERS OF SUCCESS IN THE MARKET SECTOR) TO TARGET THE NEGLECTED, THE DISADVANTAGED AND THE SUFFERING SEGMENTS OF SOCIETY. IT IS ALL ABOUT SOCIAL ENTREPRENEURS WHO LOOK AT THE ENORMOUS CHALLENGES BEFORE US AS OPPORTUNITIES TO LEVERAGE THE POWER OF MARKETS AND BUSINESS TO HAVE TRANSFORMATIVE, SYSTEM-WIDE IMPACTS!

JUST ONE QUICK EXAMPLE: ALL OF YOU HAVE HEARD ABOUT MICROFINANCE, THE PROMISES AND THE BENEFITS OF SMALL LOANS TO POOR PEOPLE, THE BENEFITS IT HAS BROUGHT TO THE DEVELOPING WORLD, AND EVEN TO THE BOTTOM BILLION. BUT TOO OFTEN, IT'S RETAIL-LED. WE AGENCIES HAVEN'T LOOKED AT THE WHOLE ECOSYSTEM OF MICROFINANCE. IN COMMERCIAL BANKING, YOU TAKE THAT FOR GRANTED – THAT THERE'S AN ECOSYSTEM, AS AN ARCHITECTURE THAT SUPPORTS COMMERCIAL BANKING. BUT IN MICROFINANCE, TOO OFTEN IT'S JUST THE WELL-KNOWN RETAIL INSTITUTIONS.

IN INDONESIA, WE RECOGNIZED THAT THAT WAS THE CASE. INDONESIA IS THE LARGEST MICROFINANCE MARKET IN THE WORLD. THERE ARE 50 MILLION PEOPLE RECEIVING MICRO CREDIT. BUT THERE ARE STILL 40 MILLION PEOPLE WHO HAVE NO ACCESS TO IT, AND ONE OF THE CONSTRAINTS WAS THE LACK OF A WHOLESAL BANK THAT CONNECT ALL THE RETAIL MICROFINANCE INSTITUTIONS THROUGH A TECHNOLOGY PLATFORM. SO WE BOUGHT A BANK, CREATED A WHOLESAL BANK, BROUGHT IN INVESTORS, LIKE THE WORLD BANK AND THE IFC, AND WE GOT SUPPORT FROM THE GATES FOUNDATION, WHICH WAS VERY

GENEROUS, TO BUILD OUT A TECHNOLOGY PLATFORM THAT WILL ENABLE US TO DELIVER NEW PRODUCTS AND SERVICES AT SCALE, IN A COST-EFFECTIVE WAY. THINGS LIKE MICRO INSURANCE, MOBILE BANKING... WHICH ARE SO CRITICAL AT LEVELING THE PLAYING FIELD. AND IF WE GET THIS RIGHT, AND THE REASON THE GATES FOUNDATION INVESTED \$20 MILLION WITH US, IS THAT THEY THINK THIS COULD BE A REAL MODEL FOR MICROFINANCE AROUND THE WORLD.

AND IN OUR VIEW, THAT'S WHY SOCIAL INNOVATION IS SO IMPORTANT, TO TAKE THOSE RISKS, TO BE AT THAT NEXUS WHERE FOR-PROFIT AND NOT-FOR-PROFIT COME TOGETHER IN NEW ORGANIZATIONAL WAYS, TO BRING ABOUT ENDURING CHANGE.

8. LEVERAGE THE HUMANITARIAN BRIDGE TO SUPPORT PEACEFUL CHANGE AND HUMAN RIGHTS.

ONE ILLUSTRATION I WANT TO SHARE WITH YOU IS HOW WE LEVERAGE THE HUMANITARIAN BRIDGE TO SUPPORT PEACE IN NORTH KOREA. NOW THAT'S CHALLENGING. YOU SEE WHAT'S GOING ON WITH THE NORTH KOREAN REGIME. BUT IF WE DON'T FIND A WAY, AS A GLOBAL COMMUNITY, TO BRING NORTH KOREA INTO THE FAMILY OF NATIONS, IN A STABLE WAY, THEN ALL HELL COULD BREAK LOOSE ON THE KOREAN PENINSULA. AND THE AMOUNT OF SUFFERING THAT WOULD CAUSE IS ALMOST INCALCULABLE.

SO WHAT HAVE WE DONE? DURING THE FAMINE IN THE LATE 90S IN NORTH KOREA, WE SAW THAT AS AN OPPORTUNITY NOT ONLY TO SAVE LIVES BUT TO BEGIN, THROUGH THAT, TO BEGIN RELATIONSHIPS THAT WOULD BRING NORTH KOREAN OFFICIALS TO THIS COUNTRY, TO TRAVEL, TO MEET, SO WE BROUGHT REPRESENTATIVES FROM THE MINISTRY OF AGRICULTURE, TO LOOK AT MODERNIZING FARMS, TO LOOK AT FISH FARMS IN OREGON, AND WE'VE HAD GREAT SUPPORT FROM OUR FRIENDS AT OREGON STATE UNIVERSITY. MADELINE ALBRIGHT TOLD ME, SHE SAID,

“NEAL, THE WORK THAT YOU ALL ARE DOING, TO TRY TO LEVERAGE THE HUMANITARIAN BRIDGE, TO CREATE MORE POSITIVE SPACE FOR THE DIPLOMATS AND THE AMBASSADORS, IS AMONG THE MOST IMPORTANT THINGS YOU ARE DOING. WE WOULDN'T EVEN BE CLOSE TO A DIALOGUE IF THESE KINDS OF EFFORTS WERE NOT GOING ON.” SO I THINK IT'S IMPORTANT TO LOOK AT WAYS FOR US, NOT ONLY TO BE ANGELS OF MERCY BUT ALSO TO BE AMBASSADORS FOR PEACE.

IN CLOSING...

SOMEONE ONCE SAID THOSE ARE THE TWO MOST WELCOME WORDS IN ANY SPEECH! BUT IF YOU'LL JUST INDULGE ME A MOMENT LONGER...

SOMETIMES THE CHALLENGES BEFORE US CAN SEEM DAUNTING, SOMETIMES BEYOND OUR CAPACITIES AND REACH TO MAKE A DIFFERENCE. IT REMINDS ME OF THE STORY OF THE OLD MAN AND THE YOUNG APPRENTICE WALKING ON THE SHORELINE. A STORM HAD WASHED UP HUNDREDS OF STARFISH, EXPOSED TO THE SUN AND LIKELY TO DIE. THE OLD MAN REACHED DOWN AND PICKED UP ONE STARFISH AND TOSSED IT BACK INTO THE SEA. THE YOUNG APPRENTICE SAID, “WHY DID YOU DO THAT? THAT WON'T MAKE ANY DIFFERENCE.” AND THE OLD MAN REPLIED: “IT JUST DID.”

I URGE US ALL TO ACT TO BUILD A BETTER WORLD. IT IS NEVER TOO SOON. IT IS NEVER TOO LATE. I WOULD URGE EACH OF US TO PICK AT LEAST ONE LOCAL ORGANIZATION AND ONE INTERNATIONAL ORGANIZATION AND TRULY GET INVOLVED. YOU CAN MAKE A HUGE DIFFERENCE. THERE IS A SEAMLESS WEB THAT CONNECTS A HOMELESS YOUTH IN PORTLAND WITH A HUNGRY CHILD IN DARFUR.

AS ALBERT SCHWEITZER SAID: “I DON'T KNOW WHAT YOUR DESTINY WILL BE, BUT I DO KNOW THAT THE ONLY ONES AMONG YOU WHO WILL FIND

TRUE HAPPINESS ARE THOSE WHO HAVE SOUGHT AND FOUND HOW TO SERVE."

THERE'S AN AFRICAN PROVERB, ONE THAT TRANSCENDS BORDERS AND BOUNDARIES, IDEOLOGIES, AND PHILOSOPHIES. IT REACHES AROUND THE WORLD, AND IT REACHES INTO THIS ROOM. IT GOES LIKE THIS:

"THE BEST TIME TO PLANT A TREE IS 20 YEARS AGO. THE NEXT BEST TIME IS NOW." SO LET'S GET TO PLANTING!