

Hope Is an Answer to Terror

An Interview

George Carpenter, Procter & Gamble
Dr. Robert K. Pelant, Heifer International

The hostility expressed through the terrorist attacks motivated the United States to reenergize its efforts to reduce poverty and deprivation in the rest of the world.

The United States policy toward development assistance is based on the belief that poverty provides a breeding ground for disease and deprivation, and potentially for crime, corruption, and terrorism. The terrorist attacks of September 11 reaffirmed this conviction, and donors—government, private, and corporate—are pursuing their goals to bring hope and opportunity to the world's poorest people with renewed vigor. Two experts involved in private sector assistance and sustainable development activities discussed the evolving views in this field with Global Issues Managing Editor Charlene Porter.

Dr. Robert K. Pelant is director of the Asia/South Pacific Programs for the non-profit organization Heifer International, devoted to helping hungry people in the world develop the resources to feed themselves. Heifer, with programs in 47 countries providing livestock and agriculture training, has been recognized by independent evaluators as among the most effective and innovative U.S. charities. Dr. Pelant is a veterinarian who specializes in international animal health and welfare program development.

George Carpenter is director of Corporate Sustainable Development for the Procter & Gamble Corporation, and is actively involved in the corporation's multinational assistance programs focused on environment, health, and social issues in developing countries. Procter & Gamble has operations in 80 countries, and independent organizations have rated the company among the best corporate citizens.

Question: How did the events of September 11, the resulting focus on terrorism, and the causes of terrorism contribute to a reexamination of the development assistance programs in which your organizations are engaged?

Carpenter: At Procter & Gamble, our appreciation for the need for stability in countries around the world has

been increasing for the last several years. Particularly since September 11, we've focused on strong national governance as a prerequisite or base foundation that is necessary for sustainable development. Without the enforced rule of law, without a rules-based economic system, absence of corruption and bribery, you are just not going to get the investments you need in developing countries to solve the kind of environmental, economic, and social issues that exist there. Nations need the investments by companies such as mine to raise the quality of life of the citizens, lift them out of poverty and into a productive lifestyle that benefits from the global economy.

Q: President Bush launched significant new aid initiatives for the developing world in the months following the attack, and he said at the time, "We fight against poverty because hope is an answer to terror." Dr. Pelant, how did the terrorist incidents refocus your thinking at Heifer International?

Pelant: In several ways. Obviously we already had security concerns for national and international staff around the world, but these events heightened our awareness and we've begun reassessing additional training on security for offices and staff around the world. We also have reexamined just how we go about our work, specifically in the case of Afghanistan and Pakistan. We've been in Afghanistan since 1997 and in Pakistan since the 1980s.

The overriding point is that this kind of development assistance is the right thing to do. We agree with President Bush's remark that you quoted—about fighting poverty because hope is an answer to terror. But these kinds of development programs are also simply the right thing to do, in and of themselves, as no one should live with chronic hunger.

Q: You mention operational changes in programs in Afghanistan and Pakistan. Heifer International also operates programs in other nations where terrorist activity has been a concern, notably Indonesia and the Philippines. Tell us more about your operations in these environments.

Pelant: Our Philippines programs—as with almost all of our programs around the world—are run by local nationals. One local partner group is an umbrella organization bringing together Muslim and Christian groups. We also work directly with several different

Muslim organizations working in very poor parts of the country. Because of the Abu Sayyaf terrorist organization and ongoing security problems there, even our local national staff has had to change their work schedules and their time spent in the field in light of security concerns. However, those programs continue, and we haven't reduced any of our funding there, and we continue to work with these organizations. They know these are U.S.-funded programs, but because we've built up long-term relations with these communities and organizations they trust our staff to go in and do the basic humanitarian development work.

Q: What is that basic work? Describe it more fully.

Pelant: Our program in the Philippines has a number of main themes. Improving the environment is a central one. We're also helping people to move from the economically and otherwise marginalized sector of society to become productive members of society, and helping people make their communities more vital. We're bringing people together to work on issues of income generation, food production, and improving their own environment. We do this in various types of partnerships, which often include local governments. They also include local corporations and/or businesses, forging a "win-win-win" situation where we can bring about a much more holistic and sustained transformation in these communities, oftentimes across national borders.

When you say Heifer, people think cows, pigs, goats, or rabbits, but these animals are really just some of the tools of a much more holistic development program that's aimed at transforming communities and the environment.

Q: Mr. Carpenter, what about Procter & Gamble and its specific activities on the ground? Are you also working to develop partnerships similar to what Dr. Pelant describes?

Carpenter: We are. There is conventional corporate philanthropy, but that is very limited and is a small percentage of the resources a corporation has. We have made contributions to children's relief efforts in Afghanistan. We have some relief efforts going on with improved sanitation tied to our brand work and our established business that exists in Pakistan.

But the more exciting thing for me, that has almost unlimited potential to improve development in many of these countries, is some of the work that we're doing to

make sustainable development part of our business, to go beyond the conventional notion of corporate responsibility. We want to link the future of our business to solutions for some of these development issues that we're facing around the world. One example of that is in Venezuela where we have a product in the market right now that significantly reduces childhood micronutrient malnutrition—deficiencies of Vitamin A, iron, and iodine. We have worked closely with the U.N. Children's Fund (UNICEF) both in the development and marketing of that product. They've done clinical studies in Africa, and social marketing, developing awareness of the problem of micronutrient malnutrition.

We're also heavily involved in sanitation and clean water, looking at these problems to determine whether we can contribute to solving them through the marketplace. If we could, through the consumer marketplace, create point-of-use disinfection of water, or sanitation at the household level, or solve problems of micronutrient malnutrition, we think a huge breakthrough could be made in solving some of these quality of life issues in these countries.

We have already, with our existing brands and product lines, worked in the areas of women's health and hygiene and in dental hygiene, where awareness of these subjects did not exist in many developing and emerging economies. Working with local ministries of health, we have developed social marketing programs to raise awareness and, in the process, have built a market for consumer-based solutions to some of these problems.

Q: September 11 and the terrorist threat have caused a reevaluation of development assistance, but a longer-term reevaluation has also been underway as organizations try to determine what aid programs have achieved, whether they've worked, whether they've had unforeseen outcomes. At the same time, political support for development assistance eroded considerably in the post-Cold War period. Some congressional leaders have looked on this outlay of U.S. funds with derision. How have these factors come to bear on changes in the delivery of development assistance, and increased concerns about results and accountability?

Pelant: Heifer and many other nonprofits have focused their efforts on impact and accountability for quite some time. They're really hasn't been any change on the screen since September 11 or because of September 11. Our development approach is actually a values-based

approach and we work in a very participatory way with local communities, businesses, governments, etc. Those things have always been front and center for us.

Still, there is no question that some in the U.S. government and other places do look on the outlay of development assistance funds with derision, as you've said. The U.S. lags behind many other countries in percentages of funds related to gross domestic product (GDP) given for development. So now is certainly a time when the U.S. government could establish a more firm leadership role in international development assistance of the kind that has been proven to be effective.

An example is inside the Department of State where the Bureau of East Asian and Pacific Affairs and the consulate in Chengdu, China, have been extremely helpful and positive regarding an initiative to benefit small-scale farmers and rural people in Tibet. The U.S. government has a tremendous opportunity to increase its leadership role here.

But one more thing about the climate generally over the last few months. Since September 11, as well as before that date, Heifer has been blessed by the generosity of the American public—individuals, foundations, businesses, churches, and the like.

Q: Mr. Carpenter, from the corporate perspective, how have you seen the climate of opinion about assistance efforts change in the months since September 11?

Carpenter: I'm not sure it's directly attributable to September 11, but in the last seven to nine months there's been a clear shift in thinking within the U.S. Agency for International Development (USAID) and any number of other U.S. government agencies on the willingness to open up and look at business as one of the partners in development projects, along with the traditional NGO and other donors. That is a brand new mindset, one that is emerging and growing rapidly with experience. It's certainly, I think, a very healthy change.

The other thing I think is very healthy is one that I mentioned earlier, and that is, this attention to the issue of national governance. There is an increasing recognition of the necessity for a system of stability and predictability in national governance, government that is rules-based, an economic system that is rules-based. Without it, most companies will never be able to go into business in some of these nations, and will never get the opportunity to

help raise these countries out of poverty. We just cannot successfully do business where the local culture is to pay bribes. So this recognition of the importance of good national governance to sustainable development is a very healthy change.

Q: You've mentioned a new emphasis on partnership. This is a concept that's being promoted recently by the Bush administration and international development organizations as a new strategy for success. Where do you see the productive potential in these relationships?

Carpenter: Effective partnerships take many months to put together and they only work if they're win-win for all parties, so it's not the kind of thing you can brainstorm today and sign on the dotted line tomorrow.

The GAIN initiative—Global Alliance for Improved Nutrition—was announced at the U.N. Special Session on Children in May 2002. It involves USAID, the World Bank, the World Health Organization, UNICEF, the Bill & Melinda Gates Foundation, Procter & Gamble, and a number of other national development agencies and private sector companies. At that session, Procter & Gamble pledged the availability of some of the food fortification technology that stands behind our NutriStar product in Venezuela to see if that technology could be applied to staple foods in the least developed countries to address this problem of micronutrient malnutrition. Five years ago, even two years ago, you never would have thought of business being included in a partnership like that, other than as a source for donations.

Pelant: I agree. No doubt about it that the classic approach would be for an NGO to go to a corporation and seek a one-time grant or something like that.

One of the things Heifer did about a year ago is to bring in a director of corporate relations, and Heifer has taken a strategic decision to engage the private enterprise sector in the United States and overseas. We're all very excited about that. We believe that there can be many positive situations, and it's already been demonstrated. One example in our experience is in China. Heifer, local

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—George Carpenter

government, local private enterprise, and the community have joined in an exciting four-way partnership.

We're working to help improve food production on the community side and marketing and distribution on the business side. As an example, we're helping honeybee farmers to improve the quantity and quality of their production. The farmers then connect with the business people in the process, who gain access to a better product and a more consistent supply. This benefits communities at large by increasing agricultural productivity, overall economic activity, and, in turn, the standard of living. The government has recognized this and is helping to expand the program. This is even more important now with their recent

accession into the World Trade Organization.

Carpenter: In India, we created a market-based promotion to raise money for child education, taking kids off the streets, getting them in schools. This was the Open Minds program, in which Procter & Gamble partnered with UNICEF. That effort was coupled with a solicitation of donations from our employees, who were very generous. We also moved down our supply and distribution chains to get support from our business partners. Advertising agencies and entertainers volunteered their time. So a small effort organized by a couple of core leaders was magnified many times by moving up and down our supply and distribution chains and related people we work with to create a significant initiative on a national scale in India to put kids in school.

So there are lots of creative ways to go about this work. We're just at the beginning, trying to understand how partnerships can be put together to address some of the issues we face in the world today.

Q: How are your constituencies—your boards of directors, your donors, your regional offices—responding to these new ideas?

Pelant: We're finding that the people who know Heifer and know our long-term approaches at the grass roots level to build up relationships with communities,

governments, and businesses are responding very favorably. We've had a surge in income specifically for expanding our program in Afghanistan and Pakistan.

When we were in Afghanistan in the late 1990s, we worked while the Taliban was in control. We had selective training for formerly professional women. They were very carefully and intentionally reaching out to illiterate women in their communities, teaching improved animal management, as well as human sanitation and hygiene issues, some things you may not normally associate with Heifer.

After building this connection with the professional women, we were then able to get a foothold in the communities. That enabled us to reach out to women in households who were in need of other assistance programs more traditionally associated with Heifer—the provision of quality animals, with training on how to manage them. Some received locally-adapted poultry, so then they'll have a few eggs a week, with high-quality protein in their diets that they otherwise wouldn't have.

Our donors know we're taking this long-term view, with this participatory approach, and they've responded very, very favorably.

Q: What do these programs reflect about American values?

Carpenter: I don't know that there's any place else on Earth where the normal everyday citizen is as generous as Americans are. That generosity is part of the American culture. We see it in our own employees, and in the communities where we work and live. To some degree, the volunteer techniques we've used in this country and the sense of working with community is a distinguishing difference we see as we move our business to other countries. American cultural values get exported—the role of the corporation and its obligation to the community and its employees, and the American culture of generosity. That willingness to step in when other people are in need—to open up your hearts and pocketbooks, to give your own labor—is almost uniquely American.

Pelant: Agreed. We are sometimes overwhelmed with ways and degrees that people are giving. We'll go and visit people who say they want to donate several thousand dollars, and we'll see their house and wonder how these people could have several hundred dollars to

give. The generosity is very widespread, and it's a wonderful characteristic of the people of this country. We're also finding thoughtful, generous givers in a number of other countries.

Q: What's in the future of these efforts?

Pelant: For civil society, an increased focus on results, and an understanding that the subjective issues can be very important. There is a healthy increased awareness in donor communities, and thus the responsibility to report accurately, frequently, and transparently—this must continue. At Heifer, we continue to look for opportunities for collaboration with corporations and governments, and continue to work to tear down the concept of North versus South, or “us versus them.” In fact, we all live in one single biosphere, on one Earth, and our actions do affect others' lives and livelihoods. We don't need more technologies—just the will to follow through with what is already working, so we can be opportunity-seekers more than just problem-solvers.

Carpenter: The partnership of private corporations, NGOs, government, and civil society in these projects is still in its emerging phases. But it's going to bring a breakthrough change in the results we see. It's going to open up whole new possibilities that people don't even see today. I know within my own corporation, as we have looked at some of the issues of clean water, health, hygiene, and nutrition, the mindset of our people is, “This is a solvable problem.” They begin to address these problems in traditional business ways—asking, “What does it take to make this happen?”—often moving outside of conventional approaches. We are going to make huge progress, breakthrough improvements, towards the U.N. Millennium Goals*, over what we've done in the last decade.

*Adopted in September 2000, the U.N. Millennium Development Goals commit 189 states to support eradication of extreme poverty and hunger, universal primary education, and other critical objectives. See <http://www.un.org/millenniumgoals>

Porter spoke in a telephone conference call with Carpenter at Procter & Gamble headquarters in Cincinnati, Ohio, and Pelant at Heifer International headquarters in Little Rock, Arkansas.

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