New Directions for a New Developing World

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How the Developing World Has Changed

- Increase in Open Markets and Open Societies

- Growth in Private Philanthropy, Remittances, and Local Charities

- Expanded Knowledge and Demand through Technology
Private Capital, Philanthropy, & Individual Remittances from Developed to Developing Countries Exceed Public Flows 1990 – 2005 ($ US billions)

USD billion

U.S. Private Engagement with Developing Countries Exceeds ODA, 2005

- Private Investment and Lending: 36%
- Remittances: 65%
- ODA: 14%
- Foundations: 2%
- Corporations: 5%
- PVOs and Volunteer Time: 17%
- Universities & Colleges: 5%
- Religious Organizations: 6%

Source: Hudson Institute, 2007
## Total U.S. Engagement with Developing Countries, 2005

<table>
<thead>
<tr>
<th></th>
<th>$ US Billions</th>
<th>%</th>
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</thead>
<tbody>
<tr>
<td><strong>OFFICIAL DEVELOPMENT ASSISTANCE</strong></td>
<td>27.6</td>
<td>14%</td>
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<tr>
<td><strong>PRIVATE ASSISTANCE</strong></td>
<td>95.2</td>
<td>50%</td>
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<tr>
<td>Foundations</td>
<td>2.2</td>
<td>2%</td>
</tr>
<tr>
<td>Corporations</td>
<td>5.1</td>
<td>5%</td>
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<tr>
<td>Private &amp; Voluntary Organizations/Volunteer Time</td>
<td>16.2</td>
<td>17%</td>
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<tr>
<td>Universities &amp; Colleges</td>
<td>4.6</td>
<td>5%</td>
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<tr>
<td>Religious Organizations</td>
<td>5.4</td>
<td>6%</td>
</tr>
<tr>
<td>Individual Remittances</td>
<td>61.7</td>
<td>65%</td>
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<tr>
<td><strong>PRIVATE INVESTMENT &amp; LENDING</strong></td>
<td>69.2</td>
<td>36%</td>
</tr>
<tr>
<td><strong>TOTAL U.S. ENGAGEMENT</strong></td>
<td>192.0</td>
<td>100%</td>
</tr>
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Source: Hudson Institute, 2007

* Preliminary data
The New Landscape of International Private Assistance

- Philanthro-capitalists
- Business at the Bottom of the Pyramid
- Cause Related Marketing
- ePhilanthropy and Cell Phone as Purse
- Remittances
Developed Countries’ Total Assistance to Developing Countries as a Percent of GNI, 2005

% of GNI

Average Country Effort
0.80%

Sweden
Netherlands
Luxembourg
Norway
Denmark
Canada
United States
Austria
United Kingdom
Australia
Switzerland
Spain
France
Ireland
Belgium
New Zealand
Germany
Greece
Finland
Italy
Portugal
Japan

Remittances
Private Giving
ODA
A New Foreign Aid Business Model for a New Developing World

- Flexibility for Diverse & Changing Problems
- Competition for Demand-Driven Ideas
- Partnership is the Premise: Co-Investment and Peer-to-Peer Relationships
- Transparency, Efficiency, and Results