

[Africa: Remarks at the 8th Forum of the African Growth and Opportunity Act](#)

*Wed, 05 Aug 2009 13:57:51 -0500*

**Remarks AT The 8th Forum of the African Growth and Opportunity Act**

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Kenyatta International Conference Centre

Nairobi, , Kenya

August 5, 2009

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Good morning. Let me thank the trade minister for those welcoming words, and tell you what a privilege it is for me to join you here today. I am very grateful to the people and Government of Kenya for hosting this AGOA Forum, and particularly to the president, the prime minister, and the entire Kenyan Government.

The presence of so many distinguished leaders from across Africa reflects our shared aspirations for greater economic growth and prosperity on this continent. This was a very important trip for me to make in order to underscore the significance that President Obama and I place on enhancing the trade and commerce both between Africa and the United States, but also within Africa.

And I am delighted to have two other representatives of the Obama Administration with me: Secretary Tom Vilsack, who, for eight years, was one of the most successful governors in our country, and responsible for the state of Iowa, a very important agricultural state, but also recognizing the connection between agriculture and energy production; and Ambassador Ron Kirk, our U.S. Trade Representative, a mayor of one of our large cities in Texas – Dallas, Texas – someone who understands the significance of economic development for the well-being of people.

We're also pleased to have three representatives of Congress with us: Congressman Donald Payne, Congressman Jim McDermott, and Congresswoman Nita Lowey. Each of them has a particular interest in Africa, and the development of the people of this continent.

So, let me begin with greetings and good wishes from President Obama to the people of his ancestral homeland – (applause) – and with a message from the President and from his Administration: We believe in Africa's promise. We are committed to Africa's future. And we will be partners with Africa's people. (Applause.) I hope all of you have had a chance to either see or read President Obama's speech last month in Ghana. He said there what we believe: Progress in Africa requires partnerships built on shared responsibility.

The flip side of responsibility is opportunity – shared opportunity. And that is what I wish to speak about this morning, how we can work together to help realize the God-given potential of 800 million people who make their homes and find their livelihoods in the valleys of the Great Rift, across the plains of the Serengeti, in vibrant urban centers from Nairobi to Johannesburg to

Dakar, and why seizing the opportunities of Africa's future matters not only to Africans, but to all of us.

You know that too often, the story of Africa is told in stereotypes and clichés about poverty, disease, and conflict. We can't seem to get past the idea that the continent has enormous potential for progress. Too often, the media's portrayal is so much less than that. But such notions are not only stale and outdated; they are wrong. Africa is capable, and is making economic progress. In fact, one doesn't have to look far to see that Africa is ripe with opportunities, some already realized, and others waiting to be seized together if we determine to do so.

Now to be sure, progress is not apparent everywhere on the continent. Even with the accelerated growth of recent years, the economies of many countries have slowed or stagnated under the weight of the global recession. Others face looming crises when their young people who constitute half the population in some countries reach adulthood and need jobs. And we cannot ignore the fact that there are still African nations where some workers earn less than a dollar a day, where mothers and fathers die of preventable diseases, where children are too often schooled with guns instead of books, and where women and girls are mistreated, even raped as a tactic of war, and greed and graft are the dominant currency.

But the story we also need to tell, and tell it over and over again, is that many parts of Africa are rising to 21<sup>st</sup> century challenges and following a road map that will turn Africa into a regional and global hub for progress and prosperity. We have seen the changes, and we know what is happening right now.

I will visit six other countries on this trip, and I will see the results of the research of African scientists who are modernizing agricultural tools, and I will meet those who are devising new models for development assistance. I'll meet the young entrepreneurs and professionals who are helping to build open markets, and the civil servants who are working hand-in-hand with them. There is so much that is going on that needs to be lifted up and spotlighted.

Today, we look to nearby Rwanda. Progress sometimes comes so slowly. But in a country that had been ravaged by genocidal conflict, the progress is amazing. It has one of the fastest growing economies in Africa, even in the midst of the global recession. Health indicators are improving. The Rwandan people believed in themselves. And their leaders, led by President Kagame, believed in policies based on evidence and measurable results, including a nationwide emphasis on family planning, cross-cutting partnerships with donors and NGOs, a greater premium on professionalism in the government and the health sector.

You all know the story of Dr. Mo Ibrahim, a visionary and a pioneer willing to invest in the untapped potential of Africa when others were not. Why? Because he understood that new technologies could unleash local entrepreneurship, create jobs, expand prosperity, and build economies. But in return for his investments, he demanded good governance, adherence to the rule of law. And his achievement in African leadership prize celebrates exemplars of his philosophy.

There are so many that already have invested and stand ready to do so, and who see the potential for leapfrogging the technologies of the past. With wireless technology, Africa doesn't need to lay all of the wires or build the infrastructure. It could take advantage of what technology offers. New innovations are already transforming lives and fueling economic growth. Farmers in both East and West Africa can click a button on their cell phone to check prices on dozens of crops. Pineapple farmers in Ghana are using PDAs and bar coding technology to facilitate transport and increase crop yields. The new underwater fiber optic cable along Africa's east coast will enable hundreds of millions of people to have access to the internet.

Although Africa missed the first green revolution, it now has the opportunity to create its own. Technology and innovation make it possible for nations to bypass the dirty stages of development and become more quickly integrated. Right now, Africa suffers from a severe shortage of electric power, and too many countries rely on oil as virtually their only source of revenue. But the capacity for producing renewable and clean energy is far and wide. From the geothermal resources of the Great Rift Valley, to the potential hydropower of the Congo River, to wind and solar options, new projects are beginning to come online.

So there are so many concrete examples of the opportunities to be seized. And with that in mind, I'd like to focus on four areas that warrant special attention: trade, development, good governance, and women.

Some of you may have seen the op-ed that Ambassador Ron Kirk wrote and was placed in newspapers here in Kenya and across the continent. He laid out some of the potential opportunities to work with in order to maximize the promise of AGOA. As Africa's largest trading partners, we are committed to trade policies that support prosperity and stability. To echo President Obama's words, we want to be your partner, not your patron.

Because trade is a critical platform for Africa's economic growth, we're exploring ways to lower global trade barriers to ease the burdens on African farmers and producers. Today, Africa accounts for two percent of global trade. If Sub-Saharan Africa were to increase that share by only one percent, it would generate additional export revenues each year greater than the total amount of annual assistance that Africa currently receives. We will strive to meet the G-20 leaders pledge in London to complete the Doha Round and make it a success. And we're committed to working with our African partners to maximize the opportunities created by our trade preference programs. That is why we're here today.

AGOA is a bipartisan commitment. As you know, it began under my husband when he was President, but it continued under President Bush. It has achieved demonstrable results, but not yet enough. We know it has not met its full potential. And we intend to roll up our sleeves and work with you to try to make that potential real.

Market access alone is not sufficient. In too many cases, African countries do not yet have the capacity to meet the needs of the U.S. market. They cannot compete for the kind of exporting of thousands of products that can be sent duty-free to the United States under AGOA. There are 6,999 items that can be sent from Africa to the United States duty-free.

Now, a number of AGOA countries are in the early stages of supplying the American market with products they had not supplied in the past. And although the global crisis has slowed products, there are new products being exported, from footwear in Ethiopia, to cut flowers in Tanzania, to eyewear in Mauritius, to processed fruits and jams in Swaziland. We're seeing real potential. We're also seeing some countries take advantage of the fact that they can produce industrial products in partnership with international firms, and then export them duty-free to the United States.

We need more product diversification. This is an area that Ambassador Kirk – Ambassador Ron Kirk will focus on with you to enhance competitiveness, to improve the utilization of AGOA, and to look for more ways that you can take advantage of this market access. You can make trade a greater priority in development strategies, and to leverage the economic power that comes from trade.

But the single biggest opportunity that you have right now is to open up trade with each other. The market of the United States is 300 million people. The market of Africa is 700 million-plus. The nations of Africa trade the least with each other than any region of the world. That makes it very difficult to compete effectively. Of course, keep focused on markets like the United States and Europe, but simultaneously work to tear down trade barriers among yourselves.

Regional trade organizations offer signs of hope, but more must be done. And of course, progress depends on good governance and adherence to the rule of law. That is critical to creating positive, predictable investment climates and inclusive economic growth. I know there are problems sometimes between countries and borders that are difficult to traverse. But focusing on this coming out of the 8th AGOA Forum would be a tremendous commitment.

Now, the United States has responsibilities, too. We will enhance ongoing efforts to build trade capacity across Africa. We want to provide assistance to help new industries take advantage of access to our markets. We will pursue public-private partnerships, leveraging the efforts of our export-import bank and OPEC and organizations like the Corporate Council on Africa that identify and invest in young entrepreneurs with innovative ideas. We will work to expand the number of bilateral investment treaties with African nations, one of which Ambassador Kirk and I will be signing this afternoon. Above all, we will create stronger and more sensible links between our trade policies and our development strategies.

In the past three decades, African agricultural exports have declined, even as the vast majority of employment on the continent still depends on income from the agricultural sector. This is due, in part, to inadequate infrastructure. Lack of roads, lack of irrigation, poor storage facilities jeopardize the hard work of farmers in the field, undermine the discoveries of researchers in the lab and depressed markets eagerly waiting for products to buy.

So the United States will pursue strategies to improve infrastructure so that farmers have better access to information, capital, and training. We intend to develop the kind of partnerships that will integrate assistance as a core pillar of our foreign policy, because we believe that helping to improve the material conditions of people's lives is not only an expression of American values, but a foundation for greater security and stability on the continent.

The Obama Administration is on a path to double foreign assistance by 2014, but we will spend the money differently. While our past assistance has yielded gains, we have spent too many dollars and too many decades on efforts that have not delivered the desired long-term results. Too much money, for example, has stayed in America, paid salaries to Americans, furnished overhead to the contractors that were used. Too little has reached the intended target or contributed to lasting progress.

So at the State Department and USAID, we are actively exploring how we can fund, design, implement development and foreign assistance that produces measurable, lasting results, while also helping people in the short run. Development assistance linked to trade policy will, we believe, fuel dynamic market-led growth rather than perpetuating dependency.

In Africa and elsewhere, we seek more agile, effective, and creative partnerships. We will focus on country-driven solutions that give responsible governments more information, capacity, and control as they tailor strategies to meet their needs. This will require greater coordination within our own government and with the donor community. And it will also require a broader use of measurements to assess whether we are achieving results. Agricultural development is a case in point. President Obama asked me to head a government-wide and comprehensive effort to advance agricultural-led growth, and to reduce hunger, where the opportunity exists to provide more food, raise incomes, and create new jobs.

Now of course, we have no control over the weather. And the devastating drought that has afflicted Kenya and other countries for four years is a deeply troubling challenge. But we can begin to try to even deal with nature's difficulties. With most of the world's remaining arable land spread across the African continent, Africa has a responsibility and an opportunity to maximize agricultural promise and provide food for your own people and the world as well. Building on the G-8 discussions in Italy last month, I am pleased to announce that I will convene a meeting next month on the margins of the United Nations General Assembly to advance the global partnership for agriculture and food security.

True economic progress – (applause) – depends not only on the hard work of millions of people who get up every day and do the best they can, often under overwhelming circumstances; it also depends on responsible governments that reject corruption, enforce the rule of law, and deliver results for their people. This is not just about good governance; this is about good business. Investors will be attracted to states that do this, and they will not be attracted to states with failed or weak leadership, or crime and civil unrest or corruption that taints every transaction and decision.

The private sector and civil society are playing an increasingly important role across Africa in holding governments accountable and demanding fairer, more open, more just economies and societies. Leaders have to lead. They have to demonstrate to their people that democracy does deliver. Sustainable progress is not possible in countries that fail to be good stewards of their natural resources, where the profits from oil and minerals line the pockets of oligarchs who are corporations a world away, but do little to promote long-term growth and prosperity.

The solution starts with transparency. A famous judge in my country once said that sunlight is the best disinfectant, and there's a lot of sunlight in Africa. African countries are starting to embrace this view through participation in the Extractive Industries Transparency Initiative. Creating a favorable investment climate requires countries to translate politics into governing. A famous American politician, Mario Cuomo, once said you campaign in politics, in poetry, but you have to govern in prose – the hard work of explaining what you're doing and getting the results that you promise.

It is important that we recognize that progress has been made when elections are held. And many people believe that democracy is alive and well because an election has taken place. But as important as elections are, democracy is not just about the ballot box. Citizens and governments need to work together to build and sustain strong democratic institutions. From an independent and confident judiciary, to a professional and dedicated civil service, to a free press and vibrant civil society, we've learned this in my own country. We are still working to improve our democracy after 230 years, and we want to give you some of the benefit of the mistakes that we've made and the lessons we've learned along the way. And we stand ready to serve as partners to citizens and leaders looking to improve governance and transparency.

Let me conclude with an issue of economic and strategic importance to Africa, to the United States, and I believe to the world, and it is of great personal importance to me – the future of Africa's women. The social, political – (applause) – the social, political, and economic marginalization of women across Africa has left a void in this continent that undermines progress and prosperity every day. Yet we know across Africa women are doing the work of a whole continent – gathering firewood, hauling water, washing clothes, preparing meals, raising children, in the fields planting and harvesting, and when given the opportunity of economic empowerment, transforming communities and local economies.

There are many African women who have made a great and lasting imprint on the world. Kenya's own Wangari Maathai has spawned an international movement on behalf of environmental stewardship. (Applause.) Ellen Johnson Sirleaf has taken the reins of a nation once gripped by civil war, ensuring that the rights of women are respected and protected, and that women have the opportunity to help drive social and economic progress, as they are now doing in many parts of the world. It is not only a moral imperative; it is an economic one as well. Everywhere I go, I see the hard work and the progress that women can make if unleashed, if given just a chance.

In a few days, I will be in Cape Town and I will visit, for the third time, the Victoria Mxenge cooperative. I first visited there in 1997. It was a location where women who had been displaced for many reasons – husbands had died, economic problems – had come together in a small group and they were squatting. They didn't own this desolate piece of land that was off one of the highways. But they had nowhere else to go with their children. And they began building a community. And they pooled small microloans, which I still believe is one of the greatest ways of lifting individuals out of poverty. And they began to build their homes.

Today, a whole village stands on what was once a dusty and empty patch of land. Like those women, women and men across this continent are taking responsibility. They want partners.

They want partners with their governments, they want partners with the private sector, they want partners with countries like my own. There is no reason to wait. The ingredients are all here for an extraordinary explosion of growth, prosperity, and progress. This is a storyline of opportunity that I want to tell, because I know how important it is to translate legislation like AGOA, the efforts of governments like Kenya's into daily changes that people can look to.

This morning, I had the chance to meet two women living here in Nairobi because I had to get my hair done. The women in this audience know that. (Laughter.) I think they did a good job too. My hairdos are like the subject of Ph.D. theses, so – (laughter) – I want everybody to know I got a good one in Nairobi. And I was talking to these two women who came to see me, and I said, “Well, what’s it like living in Nairobi,” and they said, “It’s a wonderful place, and it’s a great place to raise children.”

I want to hear that everywhere, from every family, from every mother and father who can say, truthfully, it’s a great place to raise children from the east, to the west, from the north, to the south. Because after all, what we do should only be about the next generation. In public or private life, there is no greater obligation to see what we are doing to further the lives of those children who are close to us, but to all the children.

So as we go forward at this 8<sup>th</sup> AGOA Forum, I hope we will all keep in mind that we are called upon to act to make it possible for the children of this great continent to have the kind of future that all children deserve. Thank you very much. (Applause.)

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PRN: 2009/T11-3