

Announcer: Ladies and gentlemen, please welcome our first panel, Global Challenges and Trends. This panel will be moderated by Gillian Tett, US Managing Editor, Financial Times. She is joined by panelists Dr. Mo Ibrahim, Chair and Founder of Mo Ibrahim Foundation, Andrea Mitchell, Chief Foreign Affairs Correspondent, NBC News, His Excellency Yousef Al Otaiba, Ambassador of the United Arab Emirates to the United States, and Darren Walker, President of the Ford Foundation.

Gillian: Good morning, everybody. Good morning everybody, and welcome to the first panel of today's conference, entitled Global Challenges and Trends. I think you could subtitle it Economics Without the Numbers. We heard earlier from Chairman Hochberg that jobs are about far more than just numbers. Well, economies are about far more than just numbers. They're also founded on cultural systems, political systems, social fabric. What we're going to be looking at in this morning's panel is really, what are the bigger underlying cultural, social, and political themes right now that you all in the room should be looking at to try and work out where the global economy is going? What are the kind of issues that the wise folk at the IMF tend not to talk about when they try to draw up their projections for the future of the global economy in the next few years?

We have a terrific group of people to talk about this. Just to identify them so that you know who they all are, because they're not wearing name tags or they don't have name labels, at the far end of the panel on my far left, your right, we have Dr. Mo Ibrahim, who's Chair and Founder of the Mo Ibrahim Foundation, a philanthropic body. He's very interesting indeed for this panel because he spent much of his life in the digital world, in the telecommunications world, essentially selling I think twenty-four million phones to fourteen countries in Africa. He's at the very center of some of the technological disruptions shaping our world, and as a Sudanese-British citizen, he has also been hopping borders.

Next to him is Andrea Mitchell, someone who needs almost no introduction at all. As a Chief International Correspondent of NBC News, spends much of her life at the forefront of some of the big changes. Next to her is Ambassador Al Otaiba, who's the Ambassador to the United States Embassy in the United Emirates. He again is very much at the front line of big political changes and geopolitical changes right now. On my immediate left, your right, is Darren Walker, President of the Ford Foundation, who's looking at how philanthropy is reshaping some of the bigger economies.

I'd like to start, please, with Dr. Ibrahim, and ask you, if you were to identify two or three of the really big themes that you're watching right now that we should all be thinking about about where the global economy is going, what do you think is top of your list?

Mo: I think the first theme is probably no theme at all. We walk into uncharted waters. A lot of things are changing around us. We find it difficult to comprehend what is really going on around us. We had a very orderly world in the 20th century. 21st century is really quite complicated, as it seems. We gone global, but our governments and policies still in national silos. We have this really problem between business gone global, and rules and interest are still very much national. That taxation issue, for example, came as a result of that. It's not the American century, for sure, but it's not the Chinese century, it's not the African. It is everybody's century, we hope, because everything around us is moving forward.

This is a era where it takes five years to create a company like Uber. Five years ago, there's no Uber. Today, it's valued at, what? Fifty, sixty billion dollars or more. Fifty countries. It's very easy now for entrepreneurs to start their business, and in three or four years they're all over the world [inaudible 00:04:51]. I can see some great companies here, GE, General Electric. How many years it took General Electric to become a global company? It takes you maybe a hundred years. It's different now. That, I think, is another important trend.

The final one, which I want to raise really, the rules of engagement are changing. Civil society is rising. The revolution in communications and social media meant that everybody's exposed now. Now there's questions being asked of business on issues like human rights abuses, et cetera. These things are no longer acceptable. We need to watch out for corporate governance beside the normal governance issues we have, because what used to happen before is no longer acceptable now, and that puts a spotlight on our business people and our business communities, and you need to respond to that.

Gillian: Right. We're going to return to that issue about governance later on, because that's incredibly important, but you've raised some fascinating issues there. National borders are essentially crumbling, or rather you have a dislocation between global business and national borders. It's no longer America's century. America is no longer the central pole, but as of yet nobody else is the central pole. It's a multi-polar world. If you're optimistic, it's the world of the G20 or the G200. If you're pessimistic, it's the world of the G-Zero, to use Ian Bremmer's famous phrase. That's another theme I'd like to come back to. Entrepreneurship is shaking everything up, and then of course we have the rise of civil society. If you put that together, that sounds quite optimistic and positive. Andrea, are you feeling optimistic?

Andrea: I tend to be an optimist, even though I've been a reporter for so many years, but it becomes increasingly ...

Gillian: Reporters are professional cynics, yes.

Andrea: It becomes increasingly difficult. Let me just say that one of the things that is most noteworthy is the change in our Congress, the gridlock, and the change in the kind of people who come into public service, and the role of money in our politics. All of this has evolved over the years. When I first came to Washington in the 1970s, there was a different climate about getting things done, and we've had different types of chief executives, but the biggest change I think has been in the legislative arena and the fact that so little is accomplished in terms of budgets, appropriations, regular order, if you will.

The kind of people in both political parties who used to be in the Senate when I first was covering the Senate in the 1980s and early '90s, before I went back to cover another White House administration, the determination to get things done ... When George Herbert Walker Bush agreed to the Andrews Air Force Base Budget Summit, he knew that it was going to be in conflict with his campaign "no new taxes" pledge from his convention speech, and he ultimately knew at the time that that was likely going to condemn him to one term, but he also was persuaded by his Treasury Secretary, by the late Dick Darman and others, that it needed to be done. He had the leadership of Howard Baker and Bob Dole and others on the Hill, and Democrats as well, George Mitchell, that it needed to be done and that we needed to have some sort of budget regularity.

There were moments more recently, I believe, with Simpson-Bowles, moments that came and were missed for that kind of bipartisan approach. I think we've now devolved into a situation of gridlock. Look at the current negotiations and discussions on the Hill about trade, where international players have to wonder increasingly whether agreements negotiated with the United States can even be carried out. Iran and the talks in Lausanne that I covered more recently, which have now resumed at a lower level in Geneva, not at the Foreign Minister's level, but Kerry and Zarif are going to be meeting at the United Nations Monday afternoon to try to see if something can be done before June 30th. This all raises questions about the role of the Chief Executive, the role of Congress, and the reliability of American negotiations.

I think the failed Middle East peace negotiations, the growth of ISIS, getting to your comment about the breaking down of borders, non-state actors, which we first saw of course with Al Qaeda, but now are seeing most ominously in Al Qaeda in the Arabian Peninsula in Yemen and now with ISIS or ISIL or whatever you want to call it. The inability of Iraq to create a functioning government after the America withdrawal. The threats, the Taliban threats in Afghanistan as the US now stays longer than this administration had wanted. The overwhelming refugee crisis in Jordan and on other borders to Syria. The failure, because frankly the media now are not, conventional media cannot get into Syria. Those freelancers who risked it after the beheadings are no longer attempting it. There is no visibility to what is happening with the Assad regime. The role of Iran. Can

you wall off the nuclear negotiations from Iran's other behaviors around the world?

All of these are problems that I think, even looking back ... I know it sounds foolish to be nostalgic for the Cold War environment that I first covered. I covered eight years of Ronald Reagan's presidency, and in retrospect, it seems easier that what we were dealing with ...

Gillian: As a journalist, it was a lot easier to create a graphic explaining who were the different sides back in the days of the Cold War. If you were trying to create a map showing what's going on today, trying to fit that onto a web page or a newspaper is incredibly hard.

Andrea: We're no longer at that nuclear hair trigger, but we're now at a level of real concern about the destabilization around the world. I'm not even speaking to the economic issues and the issues that china represents and what intelligence officials tell me is the greatest threat, which is cyber war and cyber defenses. Those are all things of grave concern. Just to say that the political process here is so in need of reform that I don't see how we overcome some of these challenges in the immediate future.

Gillian: Again, threats to American leadership or the ability of America to do things, coupled with a lot of instability across the world. That's quite a Debbie Downer, as they might say in Washington. Ambassador, can you make us feel cheerful again, since you're sitting in a part of the world that people like Andrea are particularly concerned about?

Andrea: Bail me out here, Yousef.

Yousef: Thank you.

Gillian: And the Financial Times, of course.

Yousef: First let me thank Chairman Hochberg for the invitation. Very kind of you, and very honored to be here. I met my fellow panelists earlier in the day, and I can assure you that I am the least qualified person on the panel today, so if you want to check your e-mail or your Twitter feed, I will not be offended. On a positive note, let me tell you how things look from the UAE. Let's focus on the economy, because if we get into the policy and security environment, I'm going to be worse than Andrea. The UAE is a country of nine-million people that has somehow managed to become the second-strongest economy in the region. Nine-million people of only one-million citizens is the US's largest trading partner for the last six years in a row, larger than Saudi, Egypt, and Israel.

The UAE was born in a certain geographic location, and that gave it a certain ability to exploit our proximity to Africa, Asia, and Europe, and it was blessed with resources, oil and gas, which we produce almost three-million barrels a day. But it's how you use those advantages to improve your economy, to improve your society, to offer jobs, to offer opportunities to young people. One of the most interesting things I've heard in the last few years is if two cities in India want to trade with each other, it's easier and faster for them to trade through Dubai, for their goods and services to go through Dubai to go through another Indian city, than it is to go directly. If you are traveling from the United States today, it's easier to get on a plane and go to a variety of about forty different locations in Africa than to go through Abu Dhabi or Dubai.

The way we see it, the way Singapore and Hong Kong were the engines for growth in Asia in the past several decades, Abu Dhabi and Dubai are becoming the growth engines for the Middle East today. Despite the turmoil, despite the instability and unpredictability, I see a tremendous amount of untapped potential in the Middle East. There's entrepreneurs, there is young spirit, there is a desire to do things, to improve the places where they live, and I think we have to find a way to harness that potential the way the UAE has become in many ways the success story of the Middle East.

Gillian: Do you think we should be looking instead at the issue of cities and trading hubs rather than nation-states? I can see that Dr. Ibrahim is nodding enthusiastically at that, but I'm curious to hear from you Ambassador, and then perhaps Dr. Ibrahim as well

Yousef: I think business generally gravitates towards what makes sense for them. Today there is more cargo and passengers flying through the UAE than anywhere else in the Middle East because we've made it easy. I think the more we can encourage and develop places to open up and embrace the open market society, there are certain advantages we can gain from just going where it makes sense. Jebel Ali is a great example. Jebel Ali Today is the largest port in the Middle East, but it's the third largest re-export market in the world. Again, this is a country that is the size of the state of Maine, with only one million citizens. It can be done, we just have to find better ways to actually encourage that kind of growth.

Gillian: Certainly Singapore shows a way that the geopolitical landscape can change sometimes in unexpected ways. Dr. Ibrahim, I see you nodding at the idea that cities are perhaps, or trading hubs, are where we should be looking, and I'll turn to ...

Mo: Yes. I really need to link these two points. You raised a very important point about the rise of non-state actors. What we see a number of non-state actors arising now, and it's now just ISIS or the Boko Haram and these kind of ... In all

fields around us, in philanthropy we see people like Bill Gates and other people there are really exercising a huge forces for change, the lead of the global fund, the lead, and they [inaudible 00:16:43] countries or poor countries behind them. Then, cities. Cities actually are leading on climate change. They are more able than states or countries to implement policies and go forward. Decision-making, effective and moving forward.

We can see how this new alliance of the cities and C40 or whatever can become really a very powerful global force for change and decision-making. Entrepreneurs and business. I just mentioned people that are starting business and going global overnight, changing the way we see things and we do things. This rise of non-state actors is one of the major trends we can see in front of us.

Gillian: The rise of non-state actors can be read in two ways. You can either say it's the rise of non-nation-state actors, it's no longer about nations per se, we have to rethink some of our concepts, or you can say it's no longer just about the public sector, and we need to rethink the way we put the public sector, the private sector, and the non-governmental sector into different boxes, or the business sector. It seems a good moment to bring in Darren from the Ford Foundation, because you are one of the non-state actors, I think.

Darren: Yeah, I ...

Gillian: Do you feel like a non-state actor?

Darren: On this panel I do. I will say that ... First of all, thanks to the Chairman for including me, and of course to be in the company of his esteemed mother, Lillian Vernon, one of the great women business leaders in the history of American commerce and enterprise, is a great treat for me. I've just returned from India, and I'm actually very hopeful. I'm hopeful because there are two things going on in that country that I think represent the future. One is the growth of global philanthropy. India has leapfrogged over the UK to become number three in global rankings of the number of billionaires behind the United States and China, and they're likely to catch up with the United States and China.

Those newly-wealthy people are turning to what they should do for their society. They're looking to America, actually, because American-style philanthropy, pioneered by John D. Rockefeller and Andrew Carnegie, really have set the stage and the tone for how people everywhere think about philanthropy. The other thing that is happening is the growth of a vibrant corporate social responsibility philosophy there. In fact, the government has mandated that companies, Indian companies, spend three percent of earnings on corporate social responsibility activities. What this has created is this exciting ecosystem of innovation where

corporate leaders and corporations are looking to partner with philanthropy and civil society to improve the lives of ordinary Indians.

I think what is going on there is hugely exciting. It portends for much of the rest of the developing world a trend of more philanthropy, more wealth being created and being harnessed for social good. I'm actually quite enthusiastic and hopeful, in spite of what Andrea said.

Gillian: Journalists, as I say, are trained to be professional cynics. We are always the Debbie Downers of any panel, that's our job. I'm curious, would you agree with this idea that we need to rethink where some of the motors for change are coming from, it's not just state or business, that perhaps we need to look at a breaking down of the barriers between philanthropy, business, government?

Andrea: I think, as you just suggested, that in looking at Warren Buffet, Gates and his foundation, Melinda and Bill Gates, and the trend toward philanthropists getting involved in the HIV/AIDS and then ebola and other transmittable diseases, as well as infrastructure in some of the African countries and in Asia, I think that those trends and the corporate responsibility that you just referenced, as well as the whole Warren Buffet/Gates notion of taking your inheritance and turning it over, is a profound change in the way that not just the Rockefellers and the Carnegies but the current generation, and the great wealth in Silicon Valley exemplifies it. If that is now also being modeled in India, it is indeed a source of great optimism.

I just think that on the bigger geopolitical issues, that they're required to be nation-states who can perform the security functions that create the proper environment for business to function well and for cross-quarter trade to be open and free, and that that is still a challenge for government that has not been addressed and cannot be really addressed by the private sector.

Gillian: Right. Ambassador.

Yousef: I think in some cases it's already happening, this hybrid between working between governments and philanthropy or private sector. One case is, in the UAE we met with Bill Gates a few years ago, and he was explaining to us that he's having a difficult time getting his polio eradication program into parts of Pakistan, and he's struggling because of Western exposure in Pakistan. The Abu Dhabi government partnered with the Gates Foundation for fifty million dollars to allow UAE government services to offer the Gates Foundation initiative in Pakistan. It's being offered through the UAE because we have a historical relationship with Pakistan. Here you have a relationship between a government and the Gates Foundation to eradicate polio in Pakistan that has been wildly successful.

I think in some cases there is a model for that kind of thing. You have to go to your strengths. In the UAE, for example, the strength is the strength of the government and the funding of the government. We've worked with foundations like Gates and many others to solve problems not just in our country, but in the region. I think that model exists. I would strongly suggest it should be encouraged.

Andrea: Right. Let me just add to that that the back story, though, is of course the reason why there was so much suspicion of vaccination is because the CIA used a doctor who was attempting to do vaccinations for polio as the ruse to get into the Abbottabad compound and try to get DNA to find out whether Osama Bin Laden was hiding there, and that became a source of huge controversy and it infected, unintended, the whole climate of vaccinations.

Gillian: [inaudible 00:24:31].

Andrea: It's extraordinary that the UAE was able to come to the rescue there.

Gillian: No, it's very, very impressive. I must say, this question about who are the biggest drivers of change is fascinating. I was actually chairing a panel last week at the World Bank meetings which was discussing the sustainable development goals which are supposed to shape emerging market development for the next fifteen years, not just in areas like health but also infrastructure, building power plants, things that many people in the room would be very interested in participating in. Jeffrey Sachs broke in at one point and said, "Well, actually, maybe we shouldn't be asking the governments for help, because Western governments are cash-strapped. Maybe we should be tapping up the one-thousand-four-hundred billionaires in the world. We can send them e-mails and ask them for money instead."

It's very much part of this shift away from traditional models of development to thinking about other ways to spur global growth. Dr. Ibrahim, irrespective of whether you're going to get a call from Jeffrey Sachs soon to help with his project, this obviously raises big questions about governance, doesn't it?

Mo: Absolutely. Just to his point, to the first point about the [inaudible 00:25:51], you have [inaudible 00:25:52] the Giving Pledge here. We have like a hundred-and-thirty people who committed to give half their money [inaudible 00:26:00]. Some people are acting, and we notice there's a majority of them actually are Americans, so this is a statement really about the generosity in the DNA of the American philanthropists. We have to accept that. Global governance, go back to ... I think we have a problem, and we need to face to it, because if we look at the issue of global governance around us, let us start at the top level.

We have institutions which [inaudible 00:26:40] is their legitimacy is starting to be questioned. You look at the United Nations. Let us be frank. The United Nations represented the result of the Second World War. In the Security Council we have Britain and France. We don't have Germany or Japan. Each of these two countries are bigger economically, population, whatever, than France and Britain. They're not in the Security Council. India is not in the Security Council. Also have population which is four times the two countries added together. What exactly does the Security Council represent? What legitimacy has it got? It's a question. Do you remember, about fifteen years ago, Kofi Annan started talk about reform of the United Nations? Did you hear any discussion about reform of UN since then? No.

Gillian: No.

Mo: The powers that be just pushes under the carpet. People pretend we still live in 1946. No, this is a completely different time. By failing to really accept the reality of a change, we're de-legitimizing our most important institution. The IMF, I think it was wrong for the American Congress to accept the change in the voting rights. That damaged the IMF. This means IMF really is an American Institution, it's not a global [inaudible 00:28:19] institution. What happens then? China go and it starts its own bank. Actually, China started two banks, not only the Infrastructure Bank, but also started this BRICS Bank, another development bank there. Even Britain and Germany signed up now to this Infrastructure Bank.

What is going to happen here? We are going to destroy the multilateral institution which you have, and that because we refuse to recognize that the world has changed. We still think in the same terms that we really ran the whole world from here, from the capital or the White House. We don't. We don't. The world is much bigger than anybody, and we have to accept the others. If we don't accept the others, the other will go and form their own camp, and then what will happen? The governance is broken. We need to accept that. Look at the leadership of the IMF or the [inaudible 00:29:18]. Why the IMF has always to be run by a Frenchman or a Frenchwoman? What happened to the rest of us? What's wrong with other people? We really need to deal with that.

Gillian: You can ask that to Madame Lagarde later on this morning.

Mo: Christine is a wonderful woman. She's a friend of mine, I love her to bits, but we have to speak the truth.

Gillian: The question then is ...

Mo: It's not a special club because she's a friend I have. No, it's wrong.

Gillian: Right. The question then is, although we've not seen any serious debate about reform of the UN or IMF, what we have seen is something very tangible, as you point out Dr. Ibrahim, the rise of the BRICS Bank and the Asian Infrastructure Bank. That has provoked lots of concern here in Washington. Do you think that's a good or bad thing? Ambassador, do you think we should be welcoming the fact that we have the world changing, tipping on its axis, and the rise of the Asian Infrastructure Bank and things like that, or should we be seeing this instead as a signal that places like America need to get their act together and try and forge ahead?

Yousef: I think everything in the economic space is competition, and if there is an Asian Infrastructure Bank, as long as it plays by the same rules as the rest of everyone else, there is no reason that competition should not be encouraged. We were always taught in here that competition is a healthy thing, and so as long as everyone's playing by the same rules, I believe that competition is a good thing and will probably promote more growth and more of opportunities that I'm talking about, and will focus on some areas that maybe some previous banks have not focused on. Yeah, I think by all means.

Darren: Can I just return to something you said earlier about the role of non-state actors and the growth of non-state actors? Because I think, the comment about Jeff Sachs in the SDG meeting, I think it's naïve to believe that we can have a vibrant, robust global economy without strong, vibrant governance. To imagine a world where we just think that philanthropy and corporations can together figure out how to solve problems while we allow the atrophication of our governments is completely naïve. What worries me about those kinds of comments, and Jeff certainly knows from his own experience the limitations of thinking that philanthropy or the academy can go into a country and with the World Bank change things, without understanding the fundamental issues of governance in a country, is just simply naïve.

That's why civil society matters so much, because why would a room of important business people care about civil society in Africa or Asia? Because civil society wants the same thing business people want. They want transparency, they want accountability of government, they want standards, they want rule of law. These are all things that any business person is going to want to ensure that their contract is enforceable, while a human rights person is going to want it because they want to make sure that before the law all citizens are treated equally. I think we can't become so excited and start to fetishize the idea of non-state actors, because there's a real danger there.

Gillian: Memo to any government bureaucrats in the audience: we still love you and we need you. Andrea.

Andrea: I also think that we should focus a bit on China and on the challenges that Xi Jinping is facing, the enormity of what he is trying to achieve in moving that society economically, culturally, socially. The slowing growth needs to be a cause of concern. Seventy percent sounds awfully good from where we're sitting here, but it's not good in the Chinese context. Just the changes that we are seeing from China and its relationship in the world around it I think is another major issue. And Putin. I'm persuaded that Merkel and Europe would not have really cracked down on Putin over Ukraine if not for the airliner, that that is what had to galvanize the European societies, because up until that stage, it was an American initiative, but not an American initiative that was really welcomed by Europe because of the gas problem, because of the energy dependence, because of the trade deals, and the changing climate also in oil supplies and in what the American production, the new more recent American production levels, have meant in terms of our eventual moves, especially once we have the ability to transport ...

Gillian: Absolutely, yes.

Andrea: ... what we're producing overseas. I just think that these are all emerging factors. Vladimir Putin and his recent four-hour news conference/speech had a number of really ominous messages, including his hegemony over all of Ukraine, which he declared, and his reference to nuclear defenses.

Gillian: Right. That really brings me into the last question I really wanted to ask you, which is, none of you are actually doing what many people in the room today are doing, i.e. business. Dr. Ibrahim, for many years you were in business. You built a fantastic cell phone group. You actually have been on the sharp end of dealing with the messy business of doing business. I'm curious that, and maybe because you're not in business today you can actually talk about it more freely, if you had one place or one sector in the global economy today that you think holds out tremendous promise over the next decade, and one place which you would not touch even if someone paid you to do so, or one country, what would it be? Maybe, Dr. Ibrahim, you can start.

Mo: I come from the telecom industry, so always I have a soft spot for technology, but we continue to do investments, so I'm not out of business. I'm still doing business in Africa, but now as an investor more than running my own company. The one place I invest in is Africa. I don't invest anywhere else, for a simple reason. Africa offer the highest return. Although, of course, my heart is there, but my wallet is there as well. It's wonderful when you have your heart and your wallet in the same direction.

Gillian: That's a happy coincidence.

Mo: Anyway, that will do. Africa is hungry, hungry for a lot of things. We have a huge rising middle class, two-, three-hundred million people joined the middle class recently. This is huge consumption coming on. People need better housings, better transport, even Fred's Fire Trucks, whatever is selling there. Everything is needed. It's a great opportunity to do business. Then, I'm always surprised how American business people have become Africa-shy. I don't understand why. Some years ago, US was the largest trading partner of Africa. You look now, Europe is still the biggest trading partner of Africa, very closely followed by China. At a distant, distant third place, at probably half the amount of trade those guys are doing, comes the United States.

I don't understand why, when Africa was in a difficult spot, the American business was there. Now, you go to Africa, you go to the bar in the evening or the restaurants, I don't hear English. I hear Chinese, I hear Brazilian, I hear Indian, Hindu, whatever. I don't know what's your problem, you are afraid ebola or afraid of ... I don't know what is your problem there, but that, as a businessman, that suits me very well, because ...

Gillian: Right. Okay, so go to Africa.

Mo: Thank you.

Gillian: Yeah. Andrea.

Andrea: Obviously, the telecommunications explosion is the most extraordinary revolution that we've seen, at least in modern times. I think, looking forward, also genetic exploration and medical technologies, which could end up bankrupting us given our entitlements right now, but the fact is that is the real frontier in terms of personalized medicine and targeted therapies, at least from what I've been reading and studying, and my own personal experience as a cancer patient. I guess the place I would like least to go, I remember ... Looking back, when I was 12 years old, I was assigned in sixth grade to look anywhere in the world and do a paper.

In finding some of my old things my mother turned up, my paper was on Yemen. Somehow, this 12-year-old in suburban New York was fascinated by Yemen. I wrote this whole paper and went down to the United Nations and was studying Yemen as a kid. Yemen is the place I would least like to go to right now.

Gillian: Which, of course, is a tragedy in many ways, because it is a fantastic country, but tragically ripped apart right now. Ambassador, where would you least like to invest right now?

Yousef: Let me answer the question in a different way.

Gillian: They've trained you well as a diplomat.

Mo: [inaudible 00:39:53] Ambassador [inaudible 00:39:55]. [inaudible 00:39:57].

Andrea: That's why he's been Ambassador for seven years.

Gillian: Yes.

Yousef: I'll tell you where I would invest. I'm telling you what excites me and what fascinates me, partly because of the rate it's growing and partly because I don't understand anything about it, is innovation, the incredible levels and growth of innovation. I was speaking to a senior US official who told me that approximately thirty to forty percent of all the growth coming out of the United States right now is coming out of innovation. The Googles, the Facebooks, the Ubers, all these new technology companies, are creating a third of US growth. For me, that's something we are trying to figure out how it works, how to tap into it, how to send our young people to learn about this.

One of the programs we're doing in the embassy is trying to bring young Emirati entrepreneurs and send them to Silicon Valley for six to nine months of training and embedding and being incubated, and then coming back to the UAE to do whatever they need to do. When I was being briefed on the program, I asked them, I said, "Why six to nine months?" They said, "Because if you don't succeed and invent something in Silicon Valley in under nine months, you're considered a failure." I thought that was fascinating, nine months to invent something and make it succeed. I think that's the kind of optimism our region needs, and that's why I would really focus on that.

Gillian: It's certainly a fantastically different picture of the region from the one that tends to dominate the headlines today. I would just ask you, though, Ambassador, if you would be sufficiently un-diplomatic to say where you wouldn't invest in or what you wouldn't invest in? I'll also ask that to Dr. Ibrahim, and then turn to Darren.

Yousef: I wouldn't invest in countries that don't have good governance. I'm not going to name individual countries because I simply don't know. There's a reason I'm not in business, because if I was in business I'd run whatever company I'm running into the ground. I excel in spending money, not making it.

Andrea: I want that job.

Yousef: I am not your top [inaudible 00:41:59] expert on which economy is the best, but I would go where there's transparency, where there's governance, where there's rule of law ...

Gillian: Right.

Yousef: ... where there is easy access to capital. Anything that fits that bill I would go to.

Gillian: Right. Dr. Ibrahim, you have one minute to tell me where you wouldn't invest or what sector you wouldn't.

Mo: I fully agree with my friend, the Ambassador [inaudible 00:42:19]. Rule of law. Rule of law is the bedrock of any civil society. If there's no rule of law, you just run like hell. You look around where we don't have rule of law, I think it's obvious. I wouldn't invest in Yemen. I wouldn't invest in Syria. I wouldn't invest in Ukraine. There are a few places where there's conflicts, or Somalia maybe is a problem also. Libya is a problem now. Wherever there's conflicts and lack of rule of law, this is where we don't go.

Gillian: Right. Darren.

Darren: Could I just connect and link what was just said? I think what you said, Ambassador, about the role of Silicon Valley and technology and innovation is very important in the American economy, but we must not forget that that is actually not where most of the jobs in the American economy are created. It's sexy, it's immediate, but it's not. It's regular mom and pop American businesses, and we need mechanisms that connect them to markets, because the risk assessment of Africa is high and the idea of investing in Africa for many American investors and businesses is very challenging. Now, there are reasons why that we know are fallacies and mythologies about Africa.

Mo: That is because they think Africa is a country.

Darren: Exactly. That's exactly right.

Mo: It's a problem of the American [inaudible 00:43:57].

Darren: That is exactly right.

Mo: Africa is 54 countries. [inaudible 00:44:01].

Darren: It is because of our ignorance as Americans, and let's just stipulate that, but in some ways, and I'm not here to give an endorsement of the bank, but I do think this question of risk and how to ensure that more investment goes to Africa, more jobs in the United States and in Africa are created as a result of private investment, has to be a priority, or we're going to continue to find ourselves in this situation where China continues to grow in terms of a percentage of

investment there. That's not a bad thing, but it's not a good thing for American investment to be reduced.

Gillian: I must say that that picture of fire truck shows that not everything that America sells overseas was invented by Steve Jobs.

Andrea: I just want to say a bit about education and both poles of higher education. I'm a trustee for many years at a major research institution in Philadelphia, the University of Pennsylvania, where we first met. Most recently, in New Hampshire, in Concord, New Hampshire at the New Hampshire Institute of Technology Concord Campus, a twenty-five-hundred student classroom, I was in a lab, a robotic lab the other day. I was obviously covering a political campaign. In talking to the professor and one of the students there who as a former Marine, avionics technology, studying robotic modeling of machine part manufacture.

This is also the wave of the future, not just the patents that we aspire to at our major research institutions, but this young man, after five years in the Marines, two years at this institution, is graduating this year with a job in a laser manufacturing company in Manchester, New Hampshire. They have an extraordinary job placement record. The tuition is two-hundred dollars for a credit. This whole community college movement and its relationship with the business sector I think is a major innovation in American society, American education, that can only bode well for our manufacturing sector.

Gillian: Absolutely. The sign of a great panel debate is when all the panelists at the end are trying to catch my eye to say something else, and we've run out of time. Sadly, we have run out of time. I think it's been a fascinating debate. We've heard about globalization, innovation, the rise of non-state actors, the growth of civil society. If I have to sum up what we've discussed today, I'd say the single biggest theme is that we're moving into a world where our traditional buckets that we like to classify things into, the silos that we use mentally to organize the world, are breaking down. We are very much moving into an era of silo busting, when our traditional classification systems are fragmenting, which is scary, but also very, very exciting, too.

It just remains to me to say a very big thank you to all of you for a great conversation, and best of luck to all of you in the room in working out how to navigate this brave new world. Thank you.

Andrea: Thank you very much.

Mo: Thank you [inaudible 00:47:28].