

Progressive Values, Practical Solutions and Policy Choices for the
21st Century

Keynote Address

by

Her Excellency Ellen Johnson Sirleaf

President of the Republic of Liberia

at

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Honourable Anne McLellan, Former Deputy Prime Minister and Senator Hugh Segal – Conference Co-Chairs;

The Honourable Josée Verner, Minister of International Cooperation and Minister for La Francophonie and Official Languages;

The Honorable Belinda Stronach, MP, and Mr. Rick Mercer, Co-Founders of Spread the Net;

Mr. Nigel Fischer, President and CEO, UNICEF Canada;

Mr. Don Lenihan, President, Crossing Boundaries;

Mr. Tim Barber, Bluesky Strategy Group, and Canada 2020 Co-Founder;

Distinguished Guests, Ladies and Gentlemen.

Thank you Minister Verner for that very kind introduction. I am very pleased to be here this afternoon and to participate in this conference which has been examining practical solutions and policy choices for the 21st Century.

As all of you know, I come from a relatively small and impoverished country in West Africa that has experienced a long, violent, and senseless war. In many ways, it seems that the issues and problems that we face in Liberia could not be further from the issues that many of you face here in Canada and other countries from which some of you come.

But while we are small, the issues and choices we confront are amongst the most important facing the world in the early part of the 21st century.

- We are trying to turn around a country that has been torn by war and internal conflicts, to restore peace, stability, and security.
- We are trying to turn around a government with a long record of gross mismanagement and widespread corruption, to create a government that is transparent and accountable to all of its citizens.
- We are trying to turn around a country that is mired in deep poverty to establish basic economic and social opportunities for all its citizens.
- And we are trying to turn around a country that has been abused by international criminals and terrorist networks to make it a responsible member of the international community.

Liberia was nearly destroyed by a senseless civil war. Hundreds of thousands of people were killed, and hundreds of thousands more fled their homes. Families were uprooted, and communities were destroyed. Infrastructure was left in ruins. Children spent more time in war than in school. The war lords used violence and intimidation to

loot our national assets, smuggle diamonds, and traffic in arms and drugs.

But the Liberian people never gave up hope, and with the help of the international community, we have a chance to start anew. Slowly but surely we are turning things around. And we are absolutely determined to create a new, peaceful, open, and prosperous Liberia.

We are working hard to build a strong economy based on the traditional engines of our growth – rubber, timber, mining, and cash crops. We want to establish firms that are competitive in global markets in manufacturing and services.

We are also determined to restore basic human rights, and to build an inclusive democracy in which rights are respected; people are engaged in the governance process; decisions are based on the rule of law rather than the whims of dictators, and national resources are used for the benefit of all.

We are basing our reconstruction and development on four basic pillars:

- Enhancing Peace and Security
- Revitalizing the Economy
- Strengthening Governance and the Rule of Law, and
- Rehabilitating Infrastructure and Delivering Basic Services.

I am pleased to tell you that we are already making significant progress in each of these areas. First, in terms of peace and security, working closely with our partners

- We have completed the deactivation of 17,000 members of the old security forces,
- We have begun to recruit new security forces, and their training is now in full swing.
- We have placed more than 75,000 ex-combatants in reintegration programs
- We have facilitated the return of well over 100,000 refugees and Internally Displaced People in the last year alone.

Second, to begin to revitalize our economy,

- We balanced our budget in just four months;
- We increased revenues by 48 percent in just one year;
- We successfully completed a Staff Monitored Program with the International Monetary Fund;
- We have formulated and begun to implement an Interim Poverty Reduction Strategy;

- We have met the eligibility requirements for the US African Growth and Opportunity Act;
- We passed a new Forest Reform Act to strengthen oversight of the forestry sector, and in turn the UN Security Council lifted international sanctions on timber.
- We have distributed over 40,000 tools and 20 metric tons of rice seed to some 33,000 farmers throughout the country, and are significantly expanding this program to reach more farmers this month.

To begin to strengthen governance and the rule of law,

- We have insisted that all senior officials, beginning with me, publicly declare their assets, and we have submitted to Parliament a new Code of Conduct for all public officials.
- We have developed a comprehensive anti-corruption policy and strategy.
- We have inaugurated the Truth and Reconciliation Commission.
- We are restructuring the civil service and have dropped 17,000 ghost workers from the payroll.

To begin to rebuild infrastructure and basic services, we have

- Begun to rehabilitate major highways and smaller roads and bridges;
- In one of my proudest moments, we reestablished electricity and water supplies to parts of Monrovia for the first time in 15 years.
- We abolished fees for public primary schools and significantly reduced fees for secondary schools. As a result, we have increased school enrolments BY 40 PERCENT IN JUST ONE YEAR!
- In just the last few months, we immunized over 97% of children under five years old against measles.
- Over the past year, we distributed over 125,000 mosquito nets. With the help of Spread the Net, we hope to soon distribute many more!

We have not achieved everything we wanted to achieve, and the challenges which we face remain enormous. But I think you will agree with me that this is a pretty good start.

Obviously our fight for progress is of immense importance to Liberians. But I believe that the changes in Liberia have broader implications. I believe that Liberia can be an example to the West African region, to the continent, and to the world that war-torn dictatorships can turn around and get back on their feet. And I believe that the changes in Liberia are just one piece of a much larger evolution that is slowly taking place across Africa that has implications for the rest of the

continent, and implications for the rest of the world – including Canada – and how it relates to Africa.

There seems to always be plenty of bad news coming out of Africa, and sometimes it is hard to be optimistic. The continuing conflict in Somalia, the horrific events unfolding in Darfur, and the tragedy in Zimbabwe are the most recent events that dominate the headlines, and they deserve our attention and action. But there is good news from Africa as well, where many countries are slowly turning around, installing good governments, and getting back on their feet. And because it is good news, and because it is happening gradually, it does not get the attention it deserves.

There are two major changes of enormous historical significance that are moving across Africa that are rarely noticed by the outside world. The first is political: slowly, but surely, more and more countries in Africa are becoming democracies and establishing accountable and transparent systems of governance.

In 1989, in the last days of the cold war and of the apartheid regime in South Africa, there were just four African democracies. Then the shift began, starting with South Africa and its neighbors in Lesotho, Namibia, and Mozambique joining Mauritius and Botswana, which had been democratic since independence. And it has slowly spread across the continent: unevenly, to be sure, but undeniably, reaching Ghana, Nigeria, Senegal, Tanzania, Rwanda, Benin, Sierra Leone, and several others.

Today there are at least 18 democracies in sub-Saharan Africa, and we in Liberia are just the latest to join the ranks. In the space of a generation, Africa has gone from very few democracies to nearly half the continent. Some are strong, others are still fragile. But never before in world history have so many low-income countries become democracies. This change, this deliberate policy choice engendered by an empowered citizenry, has huge implications for Africa, but it is rarely noticed around the world.

The second big shift is the end, finally, of 25 years of macroeconomic imbalances, large deficits, and huge debt burdens in Africa. When the global debt crisis swept through developing countries in the early 1980s, the middle-income countries that owed money to commercial banks were mostly able to resolve their problems through Brady bond deals in the late 1980s and early 1990s. But poor countries that owed money mostly to the IMF and World Bank had to wait another decade before significant debt reductions began with the Heavily Indebted Poor Country, or HIPC, Initiative. Today 30 low-income countries have

received significant debt write-downs. Liberia hopes to join their ranks very soon.

The end of the debt crisis is not merely cosmetic. It is leading to profound changes in which countries have much greater capacity to design their own economic policies, provide greater financing for important social programs in health and education, and spend less time being told what to do by creditors that, for the most part, never should have lent money 25 years ago to disreputable governments across Africa.

The result of these two historical changes is the emergence of a group of 12-15 African countries that are committed to establishing more accountable, transparent, and democratic governments; countries that have endorsed a new development paradigm with programs and policy choices that are designed to meet the needs of their people; countries that are redefining the rights and responsibilities of a partnership between the government and the society as a whole.

These countries are on the move: their economic growth rates have averaged more than 4% per year for a full decade. They are putting more kids in school and giving them better educations, fighting diseases more vigorously, and creating economic opportunities to fight poverty and to allow families to provide for themselves. Their recovery is still uncertain and fragile in many respects, but it is real, it is tangible, and it is providing hope across the continent.

This is the good news out of Africa in the 21st Century. Clearly it is good news for the citizens of these countries, but it is good news for the rest of Africa as these trends spread, and it is good news for the rest of the world as it considers African countries and how to engage with them.

There are many ways that the wealthier countries of the world engage with the poorest countries in Africa, including trade, investment, migration, and through international bodies such as the United Nations. In the long run, trade is the most powerful. We must find a way to revive the Doha Round and knock down trade barriers that bar our African products from the world markets. The world cannot preach to us the benefits of free markets, while at the same time they keep their markets closed.

In addition to trade, I am aware that there has been much debate in Canada in recent months about its foreign assistance program. I want to congratulate you on your recommitment to doubling your foreign assistance by 2011. This commitment is of enormous

importance to Africa. And, it is vitally important that you debate how to make that assistance more effective. It makes sense to ensure that your assistance funds are directed at countries that can use it most effectively. It is true that significant amounts of foreign aid have been wasted in the past on the wrong kinds of activities and the wrong kinds of governments. But this is only half the story. Substantial amounts of foreign assistance have been used well in activities that do not always make the headlines. It has contributed in large measure to the shift from dictatorship to democracy, from dependency to self sufficiency, from aid increasingly to trade.

Foreign assistance has helped African countries eliminate small pox, and nearly eliminate polio. River blindness has been substantially reduced through an innovative public-private partnership involving foreign aid agencies and the Merck pharmaceutical company. Oral rehydration therapy has become a simple and easy remedy to battle diarrheal diseases. Bed nets have begun to address the deadly effects of mosquitoes carrying malaria. These interventions have literally saved millions of lives over the last several decades. More recent efforts to fight HIV/AIDS and malaria have the potential to save millions more.

More broadly, assistance to well governed countries in Africa have begun to pay dividends. Botswana has used its abundant aid flows very well. Mozambique has been one of the largest aid recipients in Africa over the last decade, and with its democratically elected government it has had one of the fastest economic growth rates in the entire world over this period. In recent years Tanzania, Ghana, Senegal, Rwanda, and several other countries have begun to make progress with well-directed foreign assistance.

I believe that the two historic trends in Africa that I pointed out earlier provide the beginnings of a framework for donor countries to direct their resources to Africa. The bulk of foreign assistance funds should be directed towards countries that have embraced democracy, transparency, and accountability; countries that have overcome their macroeconomic and debt problems and have designed strong poverty reduction programs. These countries have the best chance of succeeding over the long run. Of course, there are still risks along the way, and, as is the case in the private sector, not every investment will be successful. But over the long run, these countries provide the best hope for sustained growth and poverty reduction in Africa.

In Liberia, we are in the early stages of the road to building a strong, accountable government that can use both our own resources, and those of our partners, effectively and transparently. The Liberian

people have spoken strongly and clearly that they want an end to the violence, mismanagement, and corruption of the past. They want openness, transparency, and basic opportunities for themselves and their families.

We know that our recovery will depend mainly on the actions of Liberians themselves. But because of the extent of the destruction from the war, we require strong international support. We need assistance to rebuild roads and infrastructure, reinvigorate trade and agriculture, build strong institutions to ensure accountable government, and support education and health systems. With this support, in a few years we will be able to stand on our own two feet again.

It is my hope that the Canadian people will help us in our efforts, in three ways.

First, private sector investment in our resource-based activities will be critical to reinvigorating our economy and creating jobs during the next few years. We are blessed with abundant resources in timber, iron ore, diamonds, gold, rubber, and a range of other products. We would welcome investment from Canadian firms that would bring world-class technologies and management to help us develop these resources prudently and sustainably for the benefit of all Liberians. We are delighted that we were able to reach agreement recently with Acelor Mittal steel for development of a major ore mine that will bring investment of over \$1 billion in the next seven years, and we would welcome the opportunity to work with Canadian firms in similar activities.

Second, we have a huge debt burden, amounting to nearly \$4 billion, equal to over 3,000 percent of our exports! This debt is mostly from loans that creditors unwisely lent to past governments but we are stuck with the bill. Fortunately, we have no outstanding debts that we owe directly to the Canadian government. But we owe large amounts to the IMF, the World Bank, and the African Development Bank. These institutions have agreed that debt relief for Liberia will be necessary, which is a major step forward. But they have not yet agreed on how to actually finance it. So we would like to ask the Canadian government, as a major shareholder in each of these institutions, to help support comprehensive debt relief for Liberia as quickly as possible, and to ensure that funds for debt relief are not diverted from schools, roads, and other development activities on the ground in Liberia.

Third, the Canadian people could directly support Liberia's recovery by helping to finance our reconstruction and development programs.

Canada has been a very important contributor to our emergency and humanitarian relief programs over the years. We deeply appreciate this support to our people during our greatest hour of need. Going forward, as the emergency situation has passed, we hope that Canada can become an important supporter in helping us to rebuild our health and education programs. Initially, your support could come through CIDA, through multilateral agencies like UNICEF, or through individual contributions to private foundations like SPREAD THE NET or dozens of other agencies that are doing wonderful work in Liberia. In this way you could directly help rebuild schools and clinics, put kids back in school, fight malaria and other preventable diseases, and give the people of Liberia the opportunity to rebuild their lives.

I would like to thank you for your kind attention today, and for standing with us as we fight to secure the peace, build a democratic and accountable government, ensure basic freedoms, and provide a foundation for a bright future for the people of Liberia and Africa.