

**Washington, D.C.** - *Congressman David Price (D-NC) participated this morning in a roundtable discussion on United States foreign aid and the challenges of global urbanization at the Woodrow Wilson International Center for Scholars. His prepared introductory remarks are copied below.*

Good morning. First, let me thank the Woodrow Wilson Center for organizing this panel on what I think is a critical and neglected topic. I also want to thank my colleague and friend, Brad Miller, for his leadership in this area, as well as Peter Kimm and Chris Williams, who have done remarkable work in addressing this issue.

My consciousness about the challenges of global slums was raised in the summer of 2006, when I traveled to Kibera with a handful of my colleagues.

We were working in Nairobi through the House Democracy Assistance Commission, a body that I chair which partners with legislatures in developing democracies around the world. While we were in Nairobi, I wanted to look in on the work of Carolina for Kibera, a non-profit based in my district that is working on public health, conflict resolution, sanitation, and other issues in Kibera, and I persuaded a few of my congressional colleagues to come along.

It's fair to say that we were stunned by what we witnessed. We trudged through the mud of Kibera's streets, stepping over open sewers that followed paths only feet from where children played. We visited an eight-foot-by-eight foot mud-brick home where a mother lived with her school-age son. And we visited a health clinic serving thousands of residents without a stable source of water or electricity.

Kibera is home to an estimated 1 million inhabitants, so the scope of the problem there is overwhelming to us. But its complexity is equally daunting. The Kibera slum – like other slums around the world – presents an intricate set of dynamics in which problems and root causes are inseparable. Sanitation, public health, access to transportation, employment, secure tenure, adequate housing, environmental degradation, ethnic conflict – all are both cause and consequence in the Kiberan slum.

Although nonprofits – including one run by a constituent of mine – are working to address the devastating poverty there, we were shocked to learn that USAID then had not one single program working in Kibera. Surely there could be no justification for USAID not being present in Africa's largest slum.

As it turned out, the justification was, at least in part, a lack of funds. USAID's urban programs have been decimated in recent years. Moreover, our current array of foreign aid programs is ill-suited to confront the challenges of urban slums. These programs often take on the challenges piecemeal, targeting water access or public health alone. Make no mistake – such efforts are critical. But slums demand a robust and integrated approach.

The SLUM Act introduced by Congressman Miller, with my strong support, is an important first step in enhancing U.S. tools to address the challenges of slums and urbanization. This legislation would help us develop a long-term strategy for taking on these challenges and would kick-start efforts in the short-term by authorizing additional aid.

As we work for passage of the SLUM Act, we are mindful that more far-reaching changes are also needed. Certainly, President Obama's promise to double U.S. foreign assistance is one such necessary change.

In addition, as Congressman Miller mentioned, Congress is beginning to examine the prospect of a full-scale reform of our foreign aid programs. As we undertake this effort, it is absolutely critical that we recalibrate these programs to more effectively address cross-cutting challenges like global slums. Reforms are needed not only to enhance major donor agencies like USAID and the Millennium Challenge Account, but also to reinvigorate international programs operated by other agencies that have the potential to do more, such as the Department of Housing and Urban Development's Office of International Affairs. Equally important is a coherent strategy to guide our assistance, so that aid funding is allocated in a way that mirrors our national priorities.

My work with the House Democracy Assistance Commission has taken me to a number of countries wrestling with large, impoverished slums, including Haiti, Afghanistan, Indonesia, and so on. In every place, the context and contours of the slums are different. But the challenges and needs are often quite similar.

Based on my experience with the House Democracy Assistance Commission, let me offer a few thoughts on some lessons I hope to contribute to the emerging debate on foreign assistance reform, as it relates to the challenge of slums.

First, as I mentioned before, the complex and interwoven challenges of global slums demand integrated and holistic solutions. USAID and other foreign aid agencies already address many of the problems slum-dwellers face, including poverty reduction, water access, adequate sanitation, and education. But these programs would be far more effective if they were planned, funded, and implemented in an integrated fashion.

In some ways, the President's Emergency Program for AIDS Relief, or PEPFAR, might serve as a good example to an integrated approach to a critical challenge. I recently convened a panel of leading experts and practitioners in my district to discuss foreign aid reform, and there was a strong consensus that the PEPFAR model has much to offer. PEPFAR coordinates the efforts of numerous government agencies targeting several aspects of the problem, including preventing transmission, treating infected patients, improving foreign health infrastructure, and attending to orphans of the pandemic. The PEPFAR model certainly has its flaws, such as some ideological constraints, imperfect inter-agency coordination, and an arguably unnecessary separation from traditional foreign aid programs. Yet, it may offer some important lessons for carrying out holistic, multi-sector programming in an integrated fashion.

Second, while they present similar challenges and needs, each slum has its own unique character. Effectively addressing the challenges of slums requires the flexibility to facilitate local solutions.

Our Commission saw a good example of this principle when we traveled to Medellin, Colombia. The former Mayor of Medellin oversaw the construction of the MetroCable, a cable car servicing some of the poorest slum neighborhoods ringing the city. The MetroCable links with the ground-based public transportation system in the valley, providing residents with access to jobs and opportunities in the city center. The result has been a staggering 300 percent increase in commerce, the creation of significant new green space, and a total makeover of the neighborhood. In what was once one of the most dangerous neighborhoods in the world's most dangerous city, I recently had the opportunity to walk around in broad daylight, without fear.

We need to find ways to encourage such local solutions, even when they don't fall neatly into existing program categories. And we need to improve our ability to incorporate local input into

our program planning and development.

Finally, we must rebuild our in-house technical capacity at USAID. In the past several years, USAID's technical expertise, especially in the area of urban programs but also throughout other key areas, has been decimated. Much of the loss is being mitigated by contractors, who have often done admirable work in implementing U.S. programs. However, without in-house expertise, we lack institutional memory and we lose the capacity to steer foreign aid programs down sound technical paths. As we examine foreign aid reform, we must reexamine the balance of in-house versus contracted expertise, and ensure that we retain sufficient government capacity to maintain the technical integrity of our programming.

Let me stop there and turn it over to Peter and Chris. Once again, I appreciate the opportunity to be with you here today, and I look forward to our further discussion.

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