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Welcoming Remarks, OECD/Ford Foundation Workshop
“Changing the Conversation on Growth”
Ford Foundation, New York, NY
Thursday, February 27, 2014

WELCOME AND ACKNOWLEDGMENTS

Good morning, everyone.

Welcome to the Ford Foundation.

Thank you, Secretary General Angel Gurría, for your—and for OECD’s—wonderful partnership.

On behalf of everyone here, let me say, we are extremely proud to stand behind, and with, the Inclusive Growth Initiative.

Thanks to Xavier Briggs, George McCarthy and Don Chen and their team.

INEQUALITY: THE DEFINING CHALLENGE OF OUR TIME

The task before us, of course, is exploring solutions to the profound challenge of inequality... the defining social and economic crisis of our time.

And tackling that task demands that we understand inclusive economic growth and learn how to make it possible across the world.

But, to start, I ask you to travel with me back in time... back almost seven decades... back to the middle of the last century.

The year 1955 was something of a watershed moment in American history—for better and for worse.

It was a year marked by struggle and progress—the year when Claudette Colvin, a 15-year-old African American girl, and then Rosa Parks refused to give up their seats on buses in Montgomery, Alabama.

It was the year that Jackie Robinson’s Dodgers finally won the World Series—that the FDA approved Jonas Salk’s vaccine for Polio.

But it also was the year that the United States first sent military advisors to Vietnam—that the first intercontinental ballistic missiles and Warsaw Pact pushed a chilly geopolitical climate into a real and costly Cold War.

And meanwhile... just uptown from here at Columbia University, and far beneath the radar of public attention ... an economist named Simon Kuznets proposed a radical hypothesis:

His idea—grounded in all of the best data of the time—was that as economies expand, inequality within those economies will also expand for a time, but then contract.

His theory, famously called Kuznets' Curve, was that as growth increases, inequality ultimately decreases.

And it's an idea that today's global economy is putting to an extreme test.

As you all know, these last few decades have brought extraordinary, unprecedented economic growth—to people in places all around the globe.

But at the same time, our recent history has also been defined by dramatic and deeply troubling increases in inequality—during bull markets and bear... during periods of unprecedented economic expansion and devastating financial crisis alike.

What this has meant, in turn, is not only that some people are rich, almost beyond comprehension... but that others remain unconscionably poor, lacking in income and assets.

What it means is that justice is rationed... that representation is distorted... that opportunity is denied. And what we know is that historically disadvantaged groups tend to bear the brunt of these failures in every society.

FOSTERING MORE EQUITABLE ECONOMIC GROWTH

Now, leaders in many regions and from many walks of life are calling for a solution.

From the president to the pope—from Gracie Mansion to the halls of Davos—inequality has been top of mind and, in some cases, high atop the agenda.

My Ford Foundation colleagues and I were in South Africa just two weeks ago convening a symposium on the issue.

Here in this room today, we are pleased to join with all of you to ensure that the global conversation about inequality—and how to respond—is informed by rigorous research and practical solutions.

This aspiration drives our partnership with OECD.

Two years ago, we—together—began exploring the relationship between inequality and growth ... and how public policy affects this relationship.

In essence, we've rethought and retooled Kuznet's Curve with a bold hypothesis of our own:

That in order to achieve sustained economic growth in 21st century economies, a commitment to social justice and inclusion is not an option but an imperative.

We need a new paradigm that integrates development, markets and rights.

And that policymakers, therefore, must put in place measures that reject the false choice between growth and equity. Measures that, instead, actively promote growth with equity.

So this is what today is all about:

We are all here to listen, to share, and to engage with our research underway—whether its early results are inspiring, confirming or surprising.

We want you to share your reactions to what we're finding.

And we're counting on you to help us think through the implications.

CITIES AS A FORCE FOR EQUALITY

Now, at the same time, we, in philanthropy, have done more than analyze and assess. We've continued to act—both in rural communities worldwide and in ever-changing urban areas.

In the great American city of Detroit, for instance, we and a group of foundations are contributing to what we hope will be a balanced, workable plan for recovery and renewal...

...a plan that enables the city to emerge from its bankruptcy with a new foundation for equity and opportunity.

...a plan that balances the importance of a world-class art museum to a city and the human dignity city owes its retired municipal employees.

And this is just one slice of a much wider spectrum.

Because the future of our cities and metro regions will help determine whether the battle for equity, opportunity, and shared prosperity will be won or lost.

We believe that with the right policies, urban areas can be a force for equity and a source of real solutions, but that requires a smarter, more intensive approach—and leadership from everyone in this room.

What does this mean in practice?

It means staying true to several principles:

- All of the people in every community are an asset, not a liability.
- With leadership comes a responsibility to listen.
- Every single person deserves a voice in shaping policies, plans, and decisions that affect them.

And we believe that if we honor these underlying commitments, then the right outcomes will follow.

This is how we bend Kuznet's curve toward social justice—and economic opportunity.

TODAY'S AGENDA

Which brings us back to today's to-do list—and to our workshop on three crucial aspects of our shared effort.

In our first panel, we will ask you to explore why inclusiveness matters for growth—and we will look at a few examples, including several in Latin America and Asia, of how different models for inclusive growth are working.

Next, we will ask you to examine some of the policies that produce synergies between growth and equity—what we call “win-win” policies.

Then, we will be joined by Shaun Donovan, U.S. Secretary of Housing and Urban Development, to hear his views on the links between national policy and creative, local action.

And, finally, we will ask you to participate with us in a robust conversation about the opportunities for—and obligations of—cities in fostering inclusive growth... a cause near and dear to many of us and, over the longer term, a key to making rural communities thrive as well.

GETTING THE CONVERSATION STARTED

And so, everyone, we have an important job today:

To listen ... to debate where need be ... and to learn together.

On behalf of all my colleagues at the Ford Foundation, we are so pleased you're here, and so grateful for your continued commitment and insight.

With that, let's get the discussion started.

Welcome once again. Thank you, all, very much.

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