Series: Centers of Government
Interview no.: F2

Interviewee: Hon. O. Natty B. Davis
Interviewer: Michael Scharff
Date of Interview: 11 May 2012
Location: Monrovia
Liberia

Innovations for Successful Societies, Bobst Center for Peace and Justice
Princeton University, 83 Prospect Avenue, Princeton, New Jersey, 08544, USA
www.princeton.edu/successfulsocieties
SCHARFF: This is Michael Scharff, the date is May 11th, 2012. I’m sitting with the Honorable O. Natty B. Davis who is chairman of the National Investment Commission. We are speaking about Mr. Davis’ previous role as Minister of State Without Portfolio and specifically about the Philanthropy Secretariat. We’re at Mr. Davis’ office at the National Investment Commission in Monrovia, Liberia. Sir, thanks very much for taking a few minutes to speak with me this morning.

DAVIS: Good morning, how are you?

SCHARFF: Good, thank you. I’d just like to take you back to the very early days when the government of Liberia was considering the creation of this Philanthropy Secretariat in the Office of the Presidency. I’m curious if you could help us to understand the sorts of issues and challenges facing the government that ultimately led to the creation of the secretariat.

DAVIS: I think it was more a set of opportunities not necessarily issues and challenges. As head of the LRDC (Liberia Reconstruction and Development Committee) and also a Minister of State Without Portfolio, in those early days I had the opportunity to travel quite frequently with the President. One of the things that we recognized was that there was this great swell of interest in supporting Ellen Sirleaf. I think the first significant part of beginning to recognize how then does one actually harness the opportunity and all of the energy that was out there. It was appreciating that Ellen Sirleaf was this icon and so many people wanted to relate to her and wanted to see how they could help her, were responding to her in a very positive way particularly as she traveled to the United States.

We recognized then early on that she would have these different meetings, there would be people that would come and say, “how can I help?” That then got us to where ok, I tried to set up a mechanism within the LRDC just to try and ensure follow up, that we recorded, took down the names of the different people who came to see and meet her and say, “Look, we’re interested in helping” and so forth and so on.

So we would then do a follow up letter to those people to say, thank you for taking the time to meet with the President and your expressions of interest and concern and so forth and so on. Is there anyway then that we could be helpful in better helping you navigate and understand how best you can assist Mrs. Sirleaf.

So that began the process of the formulation of the Secretariat. By the time we developed a project, a concept around the establishment of a Secretariat because essentially I was using LRDC staff to do some of the follow up. Then we found of course the response was significant enough that it was starting to eat up some of the time of the Secretariat staff, the LRDC.

We then dedicated one person to kind of manage that particular work stream and it is from there then that we evolved to establish a Philanthropy Secretariat with strong support of course from a few key partners, Humanity United, NoVo Foundation, and so on. They were prepared, as we had developed a concept and then began to share it with them. There were a couple of things that we recognized early on. High net worth folks are people who in most cases when they make a decision that they want to write a check or support a program, they want to do it quickly.

SCHARFF: Yes.
DAVIS: They’re not the most patient. To then subject them to the bureaucracies of government, after a while that can quickly then become a turnoff because of course this person now has to sit with a minister, understand what the program is and all of that. That can begin to stretch out in terms of time. So we wanted, first and foremost then what’s the vehicle that allows this person who wants to support Ellen Sirleaf to quickly understand what her agenda is, quickly understand what her priorities are, so that they can then see which one of those areas or which one of those priorities is better suited to the areas that they like to support or that they are prepared to support. So that was the first thing, information sharing, make sure that these folks can get information in a timely way. So that was the first thing.

Of course, to respond to their various questions because many of them had not come to Liberia, had never been to Liberia or whatever the case may be. So they would then have questions. Whatever, whichever ministry, whichever agency, they would need then to get certain types of information. We found then that we had to go to those sector ministries or agencies and so forth, gather the information to make it available to these folks who then wanted to make some decisions.

Through that we began to recognize yes, here is an activity that we’re doing but then there is this whole world of opportunity that is out there. So rather than now sitting and waiting for those who will just approach Ellen Sirleaf which would be a small percentage of the greater total, how then do we begin to actually reach out to other funders and supporters and so forth to create that vehicle that would allow them to be able to plug in and support.

So it is through that then even when we finally then agreed to set up this Secretariat and we talked with our partners and our partners showed strong enthusiasm to support it with a pilot, a three-year pilot, that they made commitments to in terms of supporting and developing. We set very clear but simple goals which is to inform and to be facilitative, not to try to be the doer, but to inform, be facilitative, working along with those interested parties in terms of navigating the bureaucracies of government, getting the information to them first of all, getting the right people in government to be able to feed back the questions, the responses to their questions and queries, giving them whatever other general information that they required and also then being facilitative if they then needed to come to Liberia, make the necessary arrangements and all those kinds of things. So we kept it at that level.

Of course it began to grow. But again the Secretariat then also created the—we had this forum, this was a forum that we had—I think it was hosted by George Soros.

SCHARFF: In New York City in the fall.

DAVIS: In New York City. At that particular forum, one of the things that we decided at that forum was that we would meet on an annual anniversary. As a result of them wanting to meet on an annual anniversary, that then created the opportunity to say, we need then to have a dedicated person who follows up on the discussions that come out of here, follows up on all of the good will that is in this room and tries to move it on to the next step. So that also then stimulated that process of putting together this Secretariat.

Those people who were there, some reached out in different ways but as a result of that particular forum and the Clinton annual global initiative that the President
was invited to where you do have a lot of funders and foundations and things of that nature, well it was just then evident that you needed to have some type of vehicle that allows you then to be able to explore the opportunities that were associated with all of that good will and all of that interest that existed in that environment. Essentially that was how we got started with the process.

SCHARFF: It is an extremely interesting back-story and history. I’m curious, internally within the government at the time were there certain arguments for and against the model?

DAVIS: No. It was something that we developed in the presidency. There were no arguments as far as setting it up, structuring it. It was essentially the presidency and the fact that we were funding it largely again from grants from foundations. It wasn’t as though there was a significant burden on public resources to do that. This was a vast area.

There was a bit of concern that was raised by the Ministry of Planning because they have an NGO (nongovernment organization) unit in there. They said this should be in the NGO unit. Again, our response at the time, I recall in discussions with the Minister of Planning and the President when he raised that I said no because one of the things that we’re trying to do is first and foremost is mitigate the bureaucracy. We can easily let the bureaucracy get in the way of a lot of good things and a lot of good approaches, so it is to mitigate that bureaucracy. But even more so, a good bit of this good will at this particular time is directed at Ellen Sirleaf. So we have to make sure that we find the opportunity to adequately exploit that in a way where then we don’t start to—I wouldn’t say not let it get further into government.

When you look at the world of philanthropy you have institutional givers who have been doing this for many years and are structured to deal with government in a more systematic, bureaucratic form. You then have those very new foundations that were coming about and those philanthropists who simply want to write a check. The first, I would say the first category of folks where we saw that opportunity around those folks who just wanted to write that check or wanted to do something quickly—.

SCHARFF: Because some of those more institutional philanthropists had already been here in Liberia.

DAVIS: Exactly.

SCHARFF: They were already getting on to some extent.

DAVIS: Yes, for instance, you have the Soros Economic Fund. They have an institutional role. They come in, they work within certain sectors, working through certain agencies and so forth. Then you have those who are institutional players but they’re not necessarily in Liberia. Ok, how then do you reach out to them and attract them, and get them to look at Liberia. The NGO unit within the Ministry of Planning, that’s not what it does. What it does is it regulates. So that was the point where I said, your role is regulatory, you regulate the activities of NGOs and those kinds of things. So for you now to say well, oh this is our responsibility, you’re kind of missing the point because what we’re doing is we’re actually marketing to a large extent Liberia and how then foundations and supporters can support Liberia. We’re actually seeing how we can reach out.
So we’re going now a little bit beyond just those individual responses to Ellen Sirleaf and then trying to identify who are some of those institutional foundations, the philanthropists who support certain types of programs and so forth. Where are they currently operating? What is their current mode? There are some foundations that don’t work out of the US. There are some foundations that are focused on programs that are in East Africa or in southern Africa or whatever the case may be.

So to begin then to do that kind of research, and better then understand the world of philanthropy. As a result of that we started participating in the global philanthropy forum where again we had an opportunity to showcase Liberia, what Liberia was going through, what Liberia was achieving.

SCHARFF: You had actually spoken on a panel with Jane Wales.

DAVIS: Exactly, and how then foundations can find an opportunity to plug into this effort and plug into it in a structured, a systematic way. Essentially we kind of built it from there.

SCHARFF: Was alignment with presidential priorities a key goal early on?

DAVIS: That was critical, yes alignment with presidential priorities.

SCHARFF: Was there a strategy to help that materialize and do you think it materialized?

DAVIS: Yes it did. The strategy was—because over the three-year pilot of the Secretariat we have been able to facilitate and inform and so forth I would say probably to a tune of more than about 30 million worth of support to Liberia. The international philanthropy have supported, have provided more than 50-something million worth of support to Liberia over that same three-year period. So clearly I think we were able to work with them to target those priority areas like for instance the health sector, the education sector, civil society, strengthening civil society.

One of the areas that we felt that there was a strong opportunity in terms of supporting is civil society. The President has always been of a very strong view that the more informed, the more knowledgeable, the more capable civil society is than the more than you have a civil society that can engage government in a constructive way. A lot of times she and myself will talk about different things. We’ll talk about take the budget process and make the budget process, early on made it a transparent process.

Once the budget is formulated and we send it to the legislator the draft also goes up on the Ministry of Finance website. In order then to have good constructive public debate on the budget you need a civil society that can understand the issues. When you have different civil society organizations and they come and say oh government should do this and government should do that, government should do this. Well go to the budget and begin to look at the budget and see then what the government is reporting as its revenue sources. Understand that the budget is finite, the resource stream is a finite stream first and therefore within that envelope how then do you begin to shift resources around in terms of those priorities. So let’s have a conversation around that.

SCHARFF: Right.

DAVIS: The civil society organizations that are concerned about the health sector can say, ok, within the health sector should we be spending X on this or should we
not be spending X on that rather than just saying government needs to do
everything. You can come with a whole list which is maybe five times greater
than the resource envelope, the revenue envelope that you have.

So that was an area, that is an area I think we were able to encourage a number
of people to support. [end of file one]

SCHARFF: Could you give me an example of an investment that was made during your time
there, sort of from its birth to completion? A specific story.

DAVIS: The Bill and Melinda Gates project is something that the Secretariat actually
introduced Liberia to the Gates Foundation. The Gates Foundation was not doing
anything in Liberia at the time. We went after the Gates Foundation. Finally they
did begin to look at Liberia and now they are supporting an initiative through the
Monrovia City Corporation (MCC).

The Rockefeller Foundation is another one. Again most of their work is in East
Africa. We have been able to get the Rockefeller Foundation to come into
Liberia. Now they are supporting an initiative at the University of Liberia in
agriculture I believe.

SCHARFF: With the Gates Foundation to the MCC for the project impact, I’m curious how
specifically the Secretariat helps that process particularly when you see that
Gates hired an external company, consulting company to sort of oversee their
project and do a lot of the financial management for City Hall, where is the
Secretariat in that?

DAVIS: The Secretariat’s role is first and foremost constantly communicating back and
forth. As you know foundations require a lot of information to begin to make a
decision to come into a country. So they want to know—there has to be
someone, some point of contact that they begin to ask all of these questions.
That is how the Secretariat—the first role that the Secretariat played, by reaching
out to them. Then when they finally said, ok, we’re prepared to look at the
possibility of something in Liberia, the consultants that they hired is at the point of
implementation, not at the point of making a decision in terms of supporting a
program in a country. That is done by folks in the foundation itself. Two of them
they come in but before they come in they need to answer a number of
questions, they need to understand, there are a number of countries that they’re
looking at. They need to get to the point where they narrow down to specifically
what country they’re going to support. They have to get all of the data in terms of
indicators and all of this. So all of those things, there was information that was
provided by the Secretariat.

Then of course the introductions to the folks at City Corporation, the preparatory
stage, before when they came in. Then finally what the Secretariat did also was it
hired the consultant that worked along with the internal person at City
Corporation to actually develop the project proposal that had to come from
Monrovia City Corporation to the Gates Foundation in order for them to make a
decision to support that program. So that whole development mechanism had
strong support from the Secretariat.

SCHARFF: Just working our way to a conclusion of the conversation, I’m curious, when you
left the Ministry of State and reflected, had a chance to reflect back on your time
there and specifically the time and all the effort that you had put into the
Philanthropy Secretariat were there certain things that you said to yourself,
“Gosh, I wish we had been able to do this slightly differently from the start?”
DAVIS: Not really. I think we did an extremely good job both with the Secretariat and with the LRDC quite frankly. For me, positively we had a retreat on the Secretariat and on the future of the Secretariat, which was held in Bellagio, Italy. We received strong affirmation from our partners of the relevance of the Secretariat, the role that it had played and the need for a secretariat of this nature to continue.

I would say that where we are now was—as I was moving on, looking at the opportunity then to more institutionalize the Secretariat, and what were some of those questions because I had to now work through that whole exiting. We had shepherded, we had a good program team. We discussed a number of different things. Should the Secretariat now become an autonomous body? Should it continue to remain as part of the presidency?

Some other questions were, what happens if another President comes in, would they continue to see the Secretariat as a useful something and all of that? There were a number of those different questions that were discussed and treated. We concluded that the Secretariat would remain within the presidency because it needed to be small and nimble. It needed always to continue to have that relationship with the head of state. It needed to always project what are the priorities of the head of state and how foundations can plug into that. But equally so there is an opportunity to create an advisory body that actually oversees some of the programming element of the Secretariat. So there was a recommendation of the creation of an advisory board that would be chaired by the Minister of State Without Portfolio but you would have one or two members from the private sector, one or two foundation partners and so forth. That advisory board might meet a maximum of twice annually essentially to approve the annual work plan of the Secretariat to guide and to advise them and also to be their ambassador so to speak in terms of again always creating additional opportunities and links to other foundations and funding partners.

Now one of the work streams that the Secretariat is looking at and is working closely with us here at the NIC (National Investment Commission) is beginning to look at funders, philanthropies that are more interested in impact investing. Again, that has then a relationship to meeting social needs but also meeting economic growth needs and opportunities. So we’re working on a project now that is beginning to do some research and so forth, understanding who are the players in terms of impact investing, what are some of the issues that are associated there. How then could we perhaps move into that particular area and begin to see again other types of philanthropic investors coming into Liberia.

SCHARFF: I think your last point dovetails well with this final question, which is your thought on what the Philanthropy Secretariat has learned about how to engage with foundations over the course of its short lifetime.

DAVIS: One is again an appreciation of the world of philanthropy that is out there. There are those that again are structured and again you understand if you want to get on their program sometimes it would take a couple of years. You must continue to remain engaged, continue to send them information and all of that. There are those that are high net worth players who essentially are interested in making a donation, writing a check, or doing a container of drugs, something to that nature. Those people want things to happen in a timely way but equally so they want to make sure that whatever contribution they’re making will actually achieve its purpose.
I would say that one of the places that we could probably try to do a better job now is reaching out to philanthropy outside of the United States. I think that is an area of additional opportunity that the Secretariat should begin to explore.

SCHARFF: Mr. Davis, thank you very much for your time.

DAVIS: You’re very welcome.