



# Re-Imagining Global Development: The Way Forward

Aspen Global Prosperity, Security, and  
Development High-Level Strategy Group



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We look forward to continued collaboration in 2027 and invite other partners to contact us to join this important work.

## Authors and Contributors

This report is a product of the Aspen Institute's Global Prosperity, Security, and Development High-Level Strategy Group. The group's inaugural convening was in Bellagio, Italy in February 2026. Primary authors include Peggy Clark, Vrinda Batra, and Matthew Rojansky.

## About the Aspen Global Prosperity, Security, and Development High-Level Strategy Group

The Aspen Global Prosperity, Security, and Development High-Level Strategy Group is housed within the Aspen Global Innovators Group. It serves as a high-level, nonpartisan platform to foster constructive, trust-based dialogue, bridge institutional silos, and generate practical recommendations to shape a forward-looking global development agenda. The Strategy Group convenes global leaders across multilateral, corporate, nonprofit, philanthropic, and policy sectors to reimagine international development and humanitarian assistance—and to develop near-term action plans that move these ideas forward.

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## Executive Summary

From February 9-13, 2026, a distinguished and diverse group of leaders met at the Rockefeller Foundation's Bellagio Center to grapple with the question: what comes next for global development? Over four days, participants identified opportunities and challenges facing global development in 2026 and beyond. The purpose of the convening was to mobilize this select group of global leaders from the multilateral, non-profit, philanthropy, and policy sectors to reimagine international development and humanitarian assistance and to create near-term action plans to propel these ideas forward.

### Findings and Recommendations

- **Establish Clear Principles:** The current moment calls for revised principles on how development is designed, financed, and delivered. Draw from the array of current initiatives to articulate core principles and build consensus around them to ground efforts in core, shared values.
- **Align with Global South Sovereignty & Ownership Initiatives:** U.S. and donor efforts should align with initiatives such as the Accra Reset, the African Continental Free Trade Area and others. Working with domestic initiatives is essential to reinforcing local ownership, transforming outdated aid dependency into partnership, and unlocking mutual opportunities.
- **Build Systems Not Projects:** Engagement must evolve beyond episodic, humanitarian partnerships and toward larger-scale systems-level partnerships for economic growth.
- **Address Debt Constraints:** Debt is a central structural barrier to development, limiting both government capacity and private investment. Targeted debt restructuring linked to policy benchmarks and sectoral investments could provide fiscal space and unlock broader economic activity.
- **Dismantle Institutional Barriers:** Institutional constraints remain the most persistent barriers to scaling proven solutions and new innovations in the U.S. and multilateral institutions. Fragmentation driven by inter-agency competition, branding concerns, and short-term, earmarked funding undermines coordination and long-term impact.
- **Reduce Barriers to Entry:** Predictable public sector regulatory frameworks, enforceable contracts, and effective risk-sharing mechanisms are essential to bringing long-term private investment.
- **Expand and coordinate development finance tools and actors:** It is essential to increase risk capital, concessional lending, and first loss capital to allow the increased flow of public and private capital into higher risk enterprises that create jobs, increase economic growth, and build human capital.
- **Galvanize Political Will:** Durable, bipartisan political support and strong country leadership are critical. Political buy-in and leadership have been central to the success of major initiatives, helping to mobilize support, ensure accountability, and sustain long-term impact.

The tone of discussion was ambitious yet frank about fiscal and political constraints. Overall, the group advocated for a development model grounded in the rule of law, inclusive economic growth, and country ownership. The below report reflects opportunities and challenges highlighted above by the group, along with insights and proposals that emerged from discussion. These findings seek to be the first of a series of conversations charting the way forward for a new era of global development and humanitarian assistance.

## Context: The Moment We Are In

The global development system is facing a structural rupture, not a temporary disruption. Longstanding assumptions about scale, leadership, and continuity no longer hold. Participants repeatedly noted that this is not simply a funding downturn but a redesign moment, and called on every key actor in the space to recognize it as such. How development is financed, organized, and justified will have to be reinvented, not just adapted.

The change is driven by multiple converging crises: Geopolitical competition has intensified, pushing development finance into an arena of strategic positioning and resource competition rather than shared problem solving. Fiscal retrenchment and political realignments in donor countries have reduced political space for long horizon international commitments, while defense spending and domestic priorities have crowded out development budgets. At the same time, many developing economies face rising debt burdens, climate shocks, demographic pressures, and fragile political environments. These dynamics reinforce one another, creating what some participants called a “polycrisis,” straining societies, national political systems, and the international architecture that was originally built to steward global security and prosperity.

**“ Seismic shifts are taking place across our world as a result of the changing balance of economic power. ”**

**The Rt Hon. Gordon Brown,**  
Former Prime Minister of the  
United Kingdom (2007-2010)

This rupture is especially evident in the declining role of official development assistance (ODA). ODA now represents a relatively small share of total financial flows to most developing regions, particularly in Africa, where remittances, foreign direct investment, domestic finance, and private capital dwarf aid flows. Yet legacy institutional structures and political narratives remain disproportionately focused on ODA. Participants observed that we continue to debate the “tail” of ODA while the “dog” of development finance has changed shape. The dismantling or weakening of legacy aid institutions has accelerated the transition, but it was not the cause. The shift away from an aid-centered system was already underway, driven by politics in donor countries, global capital flows, and changing development trajectories in recipient countries.



Photo by Vrinda Batra

**“ 2025 was the most consequential year in a generation for development. But I believe 2026 will be even more important because it’s when we’ll decide whether ‘trade not aid’ was merely political cover to do less with less or a sincere downpayment on an innovative new system. ”**

**Amb. Mark Green,**  
Former Administrator, USAID (2017-2020)

developing countries, in Africa in particular, now experience net capital outflows due to costly debt, even as they confront urgent needs for investment in health, education, infrastructure, and jobs. Presenters noted that in a large number of cases more money is flowing out in debt servicing than is flowing in through assistance. Geopolitical competition among major powers often imposes costs on developing countries rather than delivering benefits, reinforcing perceptions that development geopolitics is something done to countries rather than with them.

Yet there are also promising signs of increased domestic agency and excitement about the opportunities in a post-aid world. Participants highlighted that governments are mobilizing domestic resources, experimenting with fiscal reforms, and seeking to unlock local capital pools such as pension funds and sovereign wealth funds. African-led initiatives are gaining momentum, reflecting a desire to move from aid dependency toward self-determination. Several participants emphasized that the “face” of Africa in the world should not be a perpetually hungry child, but a capable entrepreneur and a confident policymaker shaping national strategy.

Many countries are adding large numbers of young people to the labor force each year without generating sufficient employment opportunities for them. Participants cited cases where workforce entrants have dramatically outpaced new jobs to match their skills. This is exacerbated by a debt crisis. In a growing number of countries, debt servicing costs exceed spending on health or education. Presenters argued that current debt relief frameworks are too small and too slow, leaving countries trapped. Without new approaches to debt restructuring and risk-sharing, countries that could grow their way out of debt will remain locked out of the investment needed to spur that growth.

At the same time, technological change is also altering the landscape of possibility. Advances in logistics, digital platforms, and automation demonstrate that services can be delivered at scale and at lower cost when systems are redesigned.

The current moment is therefore an inflection point, not a pause. The slogan, “trade and investment not aid,” can become shorthand for disengagement and fragmentation, or it can serve as the foundation for a redesigned development system that reflects contemporary realities. Several participants warned that the greatest risk now is of partial, incomplete reform: retaining old bureaucratic structures with fewer resources, tinkering with instruments without changing incentives, and expecting better outcomes from weakened versions of past systems. Such an approach would erode both effectiveness and legitimacy.

At the same time, power, agency, and responsibility within the development system are shifting. Many

**“ There are bright lights in our ecosystem that are propelling us forward – with greater recognition of the importance of African agency, responsibility, and accountability. We recognize that no one is coming to save us, and we must leverage data, innovation, a shared vision and a sense of urgency to drive inclusive growth and sustainable development. ”**

**Ndidi Okonkwo Nwuneli,**  
President & CEO, One Campaign

Participants pointed to examples of frugal innovation and digital transformation that have shifted whole economic sectors in developing countries. These changes underscore that talent and human capital must be treated as core infrastructure for long-term transformation.

Fragility and insecurity remain complicating factors. Development efforts increasingly operate in environments marked by political instability, conflict, and social fragmentation. Participants noted that development interventions alone cannot succeed where diplomatic or security dynamics undermine stability. At the same time, rigid separation between humanitarian, development, and security assistance has become increasingly impractical. From the recipient perspective, there is often no meaningful distinction between humanitarian and development support. Alignment across these domains is therefore essential, even if full institutional integration is neither feasible nor desirable.

**“ With rapid population growth in Africa, climate change challenges, advances in technology – we need to focus on investing in talent. Think of talent as essential infrastructure—talent has always been transformational. Invest in world-class higher education across Africa. ”**

**Dr John Nkengasong,**  
Executive Director for Higher Education,  
Collaboratives & Strategic Initiatives,  
Mastercard Foundation

Political constraints in donor countries are endemic. Often even in the best cases, development policy operates within short electoral cycles, where leadership shifts can lead to abrupt priority reversals, undermining credibility for both partner governments and implementing institutions. Several participants observed that turf battles, earmarking, and fragmented committee jurisdiction are exacerbating policy whiplash from leadership changes. Any strategy for longer term change must therefore be designed to withstand short term political volatility.

Despite retrenchment, the case for international cooperation in development remains stronger than often assumed. A significant body of recent research and opinion polling presented during the group’s discussions suggests that public support for development investments endures, even when it entails domestic tradeoffs. Participants emphasized that humanitarian goals and human dignity still resonate with the U.S. public. While appeals to narrow

self-interest can be politically powerful, they should not replace the compelling moral and principled case for lifting up our fellow human beings. There remains space to rebuild coalitions for development if the case is articulated clearly, grounded in results, and aligned with both shared values and mutual benefit.

The past twenty-five years of development cooperation have saved millions of lives and built substantial delivery capacity across health, education, and humanitarian systems. Because of that progress, many countries are now in a fundamentally different position than in the early 2000s. Domestic institutions are stronger, human capital has expanded, and countries have invested their own resources and political capital into advancement. At the same time, fatigue with the previous aid model is evident. Participants observed that many African leaders are done with externally driven, fragmented interventions and are seeking comprehensive development packages that integrate growth, infrastructure, and trade. If Western countries fail to deliver on a new vision of partnership, lending from China, which is often described as predatory, will dominate the 21st century.

Participants described the next 12 to 18 months as decisive. Without a wholesale rebuilding of U.S. development policy, capacity built over decades will disappear, and countries will turn elsewhere. Conversely, if reforms are aimed at partnership, innovation, growth, and domestic ownership, the current rupture could become a foundation for renewal.

## Cross-Cutting Principles for a New Development Era

The current moment calls for a clearer set of principles to guide how development is conceived, financed, and delivered. While participants agreed that many of the policy and political motivations for development are longstanding and need not be constantly rehashed, we are in need of a new set of design principles to shape policy implementation, align disparate stakeholders, and discipline the tradeoffs that will be needed for a more resource-constrained and contested global environment.

**To start, participants agreed that development must be organized around impact and outcomes rather than inputs.** For decades, success has been measured by volumes of assistance, number of projects, or sectoral coverage. In today's environment, those simply do not measure up. Instead, expert participants said, the primary indicators of progress should be real successes that can be built upon: economic growth, job creation, workforce absorption, and rising domestic tax revenue. Several participants argued that development's legitimacy increasingly rests on whether it produces tangible improvements in livelihoods and opportunity, not on the scale of external support provided.

**Closely related is to reframe development as investment rather than charity.** This distinction is both political and operational. Development investments generate returns not only for recipient countries, but for the broader global system through stability, trade, and innovation. Participants stressed that when countries invest in the prosperity of their own people, benefits extend beyond borders. Framing development as investment helps align moral purpose with mutual benefit, instead of forcing a false choice between altruism and self-interest.

**A third principle is that public resources should be used strategically rather than comprehensively. With highly constrained budgets, aid and grants, cannot be expected to do everything.** Their comparative advantage lies in buying down risk, catalyzing investment, and enabling systems to function where markets alone cannot. Grants should therefore be scarce, catalytic, and appropriately time-limited, with clear pathways to sustainability. The objective is leverage, not permanence. This leads to a broader shift, from thinking centered on ODA to a "total flows" approach covering, inter alia, remittances, domestic revenues, pension capital, foreign direct investment, philanthropy, and private finance. Participants noted that continuing to orient the debate primarily around ODA risks ignoring the dominant sources of capital. Effective strategies must engage all flows, recognizing their different incentives and constraints. Public actors should focus on shaping enabling environments and aligning incentives rather than attempting to substitute for private or domestic capital.

**Domestic ownership is another foundational principle. Sustainable development cannot be imported or imposed from the outside.** Governments must be able to invest in their own people, mobilize domestic resources, and make politically difficult choices about reform. Several participants argued that the past model too often blurred the line between partnership and control. A respectful partnership requires holding both sides accountable to shared results. **A related principle is that development must operate at the level of systems rather than isolated**

**“ We have lost the purity of purpose and goal of what these programs were designed to do when implemented by the institutions supported by the American taxpayers. Our goal should be to help countries move from aid to trade and work to move US assistance programs out of a job. ”**

**Rep. Ted Yoho,  
Former Congressman from Florida,  
U.S. Congress**

**projects.** While pilots and innovations are valuable, they matter only if embedded within durable systems that can be scaled up. Incremental, project-by-project approaches cannot keep pace with demographic pressures, debt burdens, or environmental shocks.

**Expanded treatment of risk emerged as a central principle in the discussions.** Traditional development models have often prioritized minimizing failure at the project level. Participants noted that such a risk-averse approach constrains impact. Instead, a portfolio mindset would allow development finance institutions and multilateral banks to manage risk through diverse investments across their balance sheets.

“ **In reimagining development, we need efficiency, simplicity and shared value.** ”

**Henrietta Holsman Fore,**  
Chairman & CEO, Holsman International and  
Chair, Aspen Global Prosperity, Security, and  
Development High-Level Strategy Group

**Another principle is cross-sectoral alignment.** Development, humanitarian, security, and diplomatic programs intersect, especially in fragile state contexts. Attempting to merge all these domains into a single bureaucratic architecture is unwise. It would risk deepening dysfunction and politicization of the work. Instead, participants recommended ensuring that parallel efforts reinforce rather than undermine one another, noting that from the recipient perspective, distinctions between humanitarian and development assistance are

often artificial. Long-term success requires continuity across these domains.

**Human dignity remains an essential organizing concept.** Polling presented during the convening suggested that public support for international cooperation endures, including on humanitarian grounds. While strategic and economic rationales are important, participants cautioned against collapsing development entirely into transactional logic. A durable coalition for development should rest on both shared interests and shared values.

**Finally, participants agreed that any new vision has to balance being politically sustainable with moving quickly.** Institutional design and financing mechanisms will enjoy durable political support if they are based on bipartisan coalitions, transparency with the public, and visible results. Reform cannot rely on nostalgia for past consensus; it must build new, durable constituencies. Yet endless multistakeholder deliberations on redesign risks failure. Best practices should be quickly identified and scaled, preserving flexibility to adjust programs for factors unique to national contexts.

**Across these principles runs a consistent theme: development systems must evolve from fragmented, externally driven interventions toward integrated, country-owned strategies anchored in inclusive economic growth.** Authority and expertise should become more globally distributed rather than concentrated in a handful of donor countries and multilateral hubs. Nearly every country has solved at least one major problem; mechanisms for sharing those insights systematically are underdeveloped and should be strengthened.



Left to right: Ndidi Nwunelli, Kennedy Odede, and Peggy Clark

## Charting the Way Forward: Key Pillars

With the shared context and principles outlined above in mind, participants organized their work into four working groups designed to translate broad themes into practical pathways forward. These groups were not intended to produce final blueprints, but to identify actionable footholds and workstreams that can be advanced in the months ahead. The groups were: Development Finance (focused on the optimization of DFC); National Government Financing, Sustainability, & Civil Society Strategies (addressed barriers to and avenues for country ownership); Innovations in Scale, Efficiency, and Reach (focused on redesigning systems rather than multiplying projects); and New Models for Private Sector Engagement (centered on aligning market incentives with public purpose). The below sections seek to capture the insights, proposals, and tensions that emerged from these working groups.

### Development Finance

The working group on Development Finance started from the premise that facilitating investment and private sector engagement in developing markets is in the long-term strategic and economic interest of the United States and its partners. Africa is the world's youngest and fastest-growing region, with roughly 60% of its population under 25 and a rapidly expanding working-age cohort that will drive global labor force growth for decades. Combined with accelerating urbanization and a rising middle class projected to reach hundreds of millions of consumers, this demographic momentum makes Africa one of the most significant long-term growth markets for U.S. and international companies seeking new customers, talent, and strategic advantage. Similarly, Latin America, the Middle East and Southeast Asia have dynamic growing markets for US investment in regions strategically important to the US.

China's expanding investment footprint across Africa and Southeast Asia (and globally) – through large-scale infrastructure financing, digital networks, critical minerals development, and industrial projects — has strengthened its economic influence and deepened trade ties in some of the world's fastest-growing regions. Similarly, Gulf countries are increasing their strategic investments across Africa and Asia in ports, agriculture, energy, and logistics, intensifying competition for influence and reinforcing the importance of sustained U.S. economic engagement in these regions.

This growing competition underscores the strategic imperative for the United States and its partners to offer transparent, high-quality investment alternatives that promote sustainable growth, resilient supply chains, and balanced geopolitical relationships. Doing so will promote competitive U.S. business opportunities and investments, helping strengthen US access to key markets around the world in coming decades.

Participants agreed that enhancing development finance without strengthening national and local ownership is incomplete. The same is true in reverse: promoting partner countries' sovereign control without addressing capital constraints and risk architecture is counterproductive. The group's goal therefore, was both to effectively mobilize

**“ We need to get more bang for our declining development buck. This includes putting the Development Finance Corporation on steroids, so it can accelerate economic growth in developing countries by lowering investment risk through blended finance, contributing first-loss capital, making equity investments, and providing political risk insurance. It should also focus more transactions on eliminating ‘constraints to growth,’ as the Millennium Challenge Corporation does. ”**

**Gary Edson,**  
Co-Chair & President, More Perfect;  
Former Deputy National Security Advisor &  
Deputy National Economic Advisor to  
President George W. Bush

money and to rethink how capital, policy reform, and partnership reinforce one another to fuel sustainable economic growth.

Participants also stressed that engaging private capital requires strengthening enabling environments in countries. That should include judicial reform to ensure contracts are enforceable in the courts, regulatory clarity to avoid monopolistic rent-seeking behavior, transparency tools for public budgets, and capacity building for local financial institutions and small/medium enterprises. Development finance, in this model, can be a powerful lever to incentivize reform rather than a substitute for it. Deal structures themselves should embed incentives, such as prioritizing small businesses or sectors with strong performance data demonstrating lower default rates and higher social returns.

Debt came up repeatedly as a substantial structural barrier constraining private investment. Targeted debt restructuring tied to policy benchmarks and sectoral investments could give some much needed breathing room. The group discussed convening major financial sector leaders to design practical vehicles for navigating sovereign debt burdens, and moving toward relief and restructuring to enable recovery and growth.

The group emphasized the need for bipartisan, sustainable political support from the outset. With the International Development Finance Corporation (DFC) now fully reauthorized with new tools (e.g., revolving equity investment account) and a broader mandate (e.g., \$205 billion maximum contingent liability and expanded geographic/strategic scope), the agency can now focus on advancing U.S. foreign policy objectives, enhancing economic competitiveness, and creating development impact. In order to fully utilize these tools and realize near-term benefits, participants recommended a concerted strategy to:

- Engage with governments and the private sector in targeted countries to identify investment priorities in a wide range of sectors (e.g., infrastructure, critical minerals, healthcare, financial intermediaries, MSME businesses, etc.).
- Build partnerships with US private sector investors and financial institutions.
- Because DFC resources are limited, leverage relationships with State Department/US embassies, Department of Commerce, and trusted DFC partners.
- Focus on de-risking opportunities for private sector partners, local or US. Mitigating investment risk in countries with substantial future market potential and/or to meet US strategic foreign policy objectives involves assessing how/who takes the first layer of risk; building partnerships with other development finance institutions (DFIs) and development agencies (including the US State Department); and often incorporating technical assistance (e.g., skills training, legal compliance, contract enforceability, digitization).

**“ The development landscape has changed in so many ways. For example, in many developing countries we’re seeing millions of young new entrants into the work force, but nowhere near enough good paying jobs being created. Furthermore, the U.S. and Europe are no longer the only major donors to the developing world. China has a larger diplomatic presence in the developing world and is providing vast resources for projects there. Of course, their assistance takes a very different form. For every one dollar China provides in ODA, it lends thirty-five—making the debt burden for many countries dangerously high. We need a dramatically new approach to our development assistance that takes these and other new realities into account. ”**

**Amb. Mark Green,**  
Former Administrator, USAID (2017-2020)

- Develop technical assistance strategies to build local capacity, mitigate investment risk, and enhance trust with local governments, institutions and businesses.

The clarity of the strategic narrative itself is part of the advantage for U.S. development finance over China, whose lending will continue to far exceed us in scale. The group pointed to promising development finance success stories, such as facilitating access to finance for small and medium-sized enterprises (SMEs) and small-scale lending in the agriculture sector which has already unlocked much greater food productivity and allowed local farmers to join global value chains.

Although it is not a finished plan, the development finance and governments working group endeavored to lay out a practical roadmap of key steps: build structured country dialogues anchored on growth; align U.S. tools around partner priorities; embed institutional reform within deal-making; demand cooperation among DFIs; seek bipartisan legislative foundations; and above all, listen and communicate transparently, and act in partnership. Immediate next steps should include convening key actors to test and refine this framework and developing implementation plans that move beyond concept to execution.

## National Government Financing, Sustainability, & Civil Society Strategies

Participants in the working group underscored the urgency of the current moment and emphasized the critical role of national governments in reframing the development agenda—particularly the importance of aligning U.S. and other donor development efforts with partner country priorities. While acknowledging ongoing challenges related to corruption and



Photo by Vrinda Batra

accountability, participants stressed the need to strengthen domestic resource mobilization, reinforce regional institutions, invest in local systems, and foster more equitable partnerships grounded in mutual accountability. Participants also highlighted the importance of promoting self-reliance and sustainable solutions, expressing hope for a future in which emerging economies depend less on external aid.

Participants noted that the America First Global Health Strategy, while it has potential to improve integration and coordination across institutions as well as has a strong focus on country ownership, several participants raised concerns about the transactional nature of the bilateral health agreements signed under the new strategy which aim to shift the United States away from traditional aid towards jointly financed health agreements. Participants described these agreements as “unfair” and exploitative due to one-sided data-sharing and other commitments.

**“ Aid must become partnership for impact. ”**

**Aissatou Diajhate,**  
 Director of External Affairs,  
 African School of Governance, Former  
 Advisor & Chief of Staff to the President  
 and CEO of Mastercard Foundation

Participants also pointed to the worsening debt crisis, noting that in many emerging economies, debt payments now exceed incoming aid and investment flows. As one participant observed, “children in Africa are being born into debt.” This growing burden is constraining fiscal space, forcing governments to prioritize debt repayments over critical investments in health, education, and other development goals.

**“ There is no development without security. ”**

**Gary Edson,**  
Co-Chair & President, More Perfect;  
Former Deputy National Security  
Advisor & Deputy National Economic  
Advisor to President George W. Bush

Working group participants called for urgent action to address unsustainable debt levels. Proposed solutions included leveraging African diaspora remittances as a source of long-term support for household health needs, as well as pursuing debt restructuring and debt swaps. Revising loan terms or converting debt repayments into development investments in

health systems, education, and infrastructure were seen as essential mechanisms for alleviating debt distress and enabling countries to redirect resources toward development priorities rather than debt servicing.

In addition to debt, participants identified conflict and protracted fragility as another major barrier to development progress. “There is no development without security” noted one of the participants, however, many also observed that the focus on security has increasingly been sidelined in the broader development discussions.

Ultimately, working group participants advocated for a shift from aid dependency toward an investment-driven development model, emphasizing a renewed focus on African agency and partnership. As one participant put it, “aid must become partnership for impact.”

To support country ownership in shaping this new development agenda, working group participants suggested plugging U.S. and other donor efforts into initiatives such as the Accra Reset and the African Continental Free Trade Area and others. These frameworks emphasize local ownership, accountability, and moving beyond aid dependency.

The National Government Financing, Sustainability & Civil Society Strategies group worked in close partnership with the Development Finance working group - at one point merging their discussions in recognition that capital flows and country ownership must move together.

## Innovations in Scale, Efficiency, and Reach

The Innovation working group was tasked to ask, where are the breakthrough ideas capable of generating systemic impact at scale? The emphasis was not on launching additional one-off innovations, but on rethinking architecture and embedding large scale innovation into lasting systems. Participants argued that innovation is meaningful only when embedded in systems, and scale matters most when it produces efficiency and momentum, not just incremental improvement. The most persistent barriers to scale in U.S. and multilateral efforts are often institutional: turf, logos, and egos. Agencies compete for visibility and authority. Funding is heavily earmarked and

**“ Building on the South Africa hosted G20 in 2025, we must continue to design a new global financial architecture that is shaped by Africa’s current realities and immense opportunities. This requires that we dismantle unfair financing structures, address crippling debt burdens, drive domestic resource mobilization, attract and retain catalytic capital and scale up what works on the ground. ”**

**Ndidi Okonkwo Nwuneli,**  
President & CEO, One Campaign

short-term. Multiple U.S. government and multilateral entities operate in parallel with overlapping mandates. Participants observed that symbolic issues, such as whose logo appears at the top of a document or sign, often reflect deeper structural fragmentation. Even well performing institutions rarely sunset or consolidate once their core mission has been achieved.

Innovations driven by local knowledge and proximity often emerge in the Global South, yet only a small fraction of resources is directed toward nurturing and scaling those ideas. As a result, donor programs coming from outside miss the innovators working in closest proximity to the very problems they seek to solve. An alternative approach is what some called, “variable geometry diplomacy.” Instead of relying on traditional hierarchical diplomacy, which can be coercive or uniform, variable geometry is about building coalitions and communications networks around specific problems and stakeholders, including to detect and promote innovation at the country level.

Participants recounted a number of examples of structural inefficiency blocking the uptake of proven innovations, such as the case of Plumpy’Nut, a safe, effective and cost-efficient therapeutic food for malnutrition. In some cases, though, children classified as moderately malnourished (based on arm circumference measurement) rather than acutely so, could not receive the nutrient rich packets at the location where they were measured, even though supplies were available. Instead, they were required to travel long distances to different facilities, exposing them to further risk and harm even though the solution was right at hand. In this case, the innovation had already been delivered but the barrier was administrative rigidity. Participants emphasized that cutting through such bureaucratic constraints can yield dramatic gains without new scientific breakthroughs.

**“ This critical moment gives us the opportunity to redress the fragmentation, multiplicity of projects, and cost inefficiencies of much of aid to date. Investing in systems- level innovation — breakthrough ideas, technologies, and strategies that address critical needs at scale and with proven impact— is key to the transformation ahead. ”**

**Peggy Clark,**  
 Founder and Executive Director, Aspen  
 Global Innovators Group, Aspen Institute



Photo by Vrinda Batra

Working group participants cited the creation of PEPFAR and the Global Fund as moments when political will, innovation, and institutional clarity aligned around clear objectives. These efforts were not merely projects but trajectory changing moments. They emphasized that PEPFAR and the Global Fund achieved scale not only by adding on resources and projects, but by concentrating those resources with appropriate authority to work toward a common goal. On the philanthropy side, one example is the Forest People Planet initiative, a \$2 billion global partnership working across three major forest basins. It brings together bilateral, multilateral, and community actors around a shared framework for preserving forests while generating economic value. Crucially, forest communities have been directly involved in shaping the model. This example reinforced that systemic innovation requires both large scale capital and country leadership, as well as integration across climate and other development domains.

The group looked at a number of actionable ideas. One was to create sectoral funds to bypass the operational overhead of existing multilateral entities. The funds would focus on delivering specific, science-backed interventions aligned with country-defined goals. They would be radically transparent and work directly with national systems rather than through large secretariats. The emphasis would be on cutting through bureaucracy and working at the point of impact.

Another proposal was to establish innovation funds at the country level. Each donor contributing to a country could allocate a small percentage, perhaps one percent or less of their total commitment, to a pooled innovation platform managed within that country. The fund would then invest in innovative local problem solvers that would in turn benefit the broad scope of development investments into the country. Supporters argued that even a relatively small fund of this kind could strike a great balance between efficiency and bold experimentation.

At the same time, some participants cautioned against assuming that innovation requires new funds. Countries and communities are already adapting creatively to constraints, and the key may just be to accurately perceive that reality and to reflect it in our own plans and narratives. Rather than layering any new structures on top of existing systems, the call to action would be to document and scale what is already working on the ground. Participants cited examples of successful scalable systems, such as the African CDC and India's digital identity platform. The discussion raised the question of where such models could be replicated in other sectors.

**“ This isn’t just a funding problem, it is also a systems problem above all, and we all played a role in building the system that we now need to change. ”**

**Paul Polman,**  
Former CEO, Unilever

Working group members warned against discarding the multilateral system entirely in the search for innovation. The operational capacity of the UN and multilateral institutions remains significant. The reality is that tens if not hundreds of millions of people are alive today thanks to their logistical and delivery infrastructure, and millions depend on it every day. The challenge is not to replace existing multilateral delivery systems, but to streamline them, which could include consolidating multiple fragmented agencies into fewer, more coherent platforms.

Recognizing the urgency of the current moment, the working group concluded with a call for high-level political leadership. Just

as past eras were defined by speeches that galvanized public support for development (e.g. President George W. Bush's 2003 State of the Union address launching PEPFAR), a new message is needed now to appeal to both idealism and pragmatic self-interest. Innovation is about people and about systems. It requires aligning incentives, reducing fragmentation, empowering local actors, and embedding learning and messaging into institutions. If people can embrace this moment as an opportunity for institutional renewal, then innovation can move from isolated successes to durable transformation at scale.

## New Models for Private Sector Engagement

The Private Sector working group began from a practical challenge: how to articulate a compelling case for private sector engagement that can withstand political scrutiny and attract sustained business participation. Participants recognized that any strategy must clearly define outcomes, accountability, and effectiveness for Congress, policymakers, and the public, as well as for private sector actors who require clarity about goals, metrics, and risk factors before they will commit capital.

Participants agreed that private sector engagement should seek to move beyond episodic humanitarian collaboration, and toward larger-scale partnership in economic growth for partner countries. While corporate engagement during emergencies is crucial, bringing in private sector actors to deliver infrastructure, value chains, manufacturing capacity, workforce development and more could be foundational to a new long-term development investment model. This will work best for all sides when private business incentives are aligned with “development finance strategies and countries’ own development priorities.

Participants also stressed the importance of engagement with the local private sector in countries: local chambers of commerce, domestic firms, and even the informal sector; given its size in many developing countries. In this context, value should be considered not only in terms of capital markets, but in terms of data, expertise, and human resources already operating successfully on the ground. Leveraging these underutilized resources requires better coordination at the country level in place of deference to distant, centralized structures.

Risk is a major constraint for private investment decisions, and private sector involvement more broadly. Businesses face risk in multiple forms, from policy volatility and local regulatory uncertainty to weak rule of law, reputational exposure, or simply the difficulty of achieving measurable outcomes. The group surfaced unresolved questions around privatization and taxation. While some see opportunity in selective privatization of state-backed investments or infrastructure assets, others cautioned against overreach. Essential public goods cannot be reduced to pure market logic. The tension between market efficiency and equitable access remains unresolved and requires further deliberation. Debt overhang compounds all these challenges at the country level, trapping capital and constraining investment. Participants called for convening major financial sector thinkers to design tools and vehicles capable of navigating sovereign debt burdens more effectively.

Another important barrier discussed was institutional resistance within government. Some U.S. government actors have aired skepticism that the private sector’s profit imperative distorts development objectives. Participants argued that this framing is incomplete. It is true that companies are answerable to shareholders and investors, but they also bring science, innovation, operational speed, and deep understanding of market dynamics in addition to capital. When aligned properly, these capabilities can accelerate long-term change rather than undermine it.

The group argued that development finance and private investment should be viewed in the context of total financial flows. Official development assistance represents only a fraction of the capital moving across borders. Participants cautioned against allowing ODA debates to dominate strategy. The key question is where limited public and philanthropic resources can be deployed to increase the development impact of much larger private flows already underway. Getting this leverage right would be politically attractive even to U.S. administrations skeptical of traditional aid.

**“ Private capital must scale solutions that strengthen society not extract value and then move on. And, profits should come from solving the world’s problems, not shifting costs onto others. ”**

**Paul Polman,**  
Former CEO, Unilever

As in nearly all the full group discussions, working group participants noted the importance of political feasibility. For example, the average taxpayer is understandably unlikely to support first-loss approaches that socialize risk while privatizing gain, so it is essential to be clear about who ultimately bears what risk in blended finance arrangements. Designing mechanisms that are both economically effective and politically defensible will be essential. Some participants suggested convening private equity leaders and large institutional investors to explore pooled engagement in selected markets. Private equity capital may play a more significant role in the coming period than public equity, particularly in infrastructure and industrial transformation. However, such engagement must be structured carefully to avoid exacerbating inequality or reinforcing extractive dynamics.

**“ We are at a moment when the concept of global integration is being actively dismantled. Retreat and retrenchment run counter to the realities of a deeply interconnected global economy—and risk reversing decades of development progress in the next chapter of global development. ”**

**Achim Steiner,**  
Senior Fellow, Oxford Martin School, University  
of Oxford and Former Administrator, UN  
Development Program

Several participants proposed a “grand challenges” model as one way to focus and mobilize private engagement. The idea would be to identify a small number of major, clearly defined problems, not more than ten or a dozen, and issue a structured call to action. Concentrated challenges could draw together business, philanthropy, and public actors around measurable outcomes, creating both clarity and momentum.

The group noted that this is not just an economic growth imperative. Development investment is a key dimension of peacebuilding. Ceasefires can halt violence, but they do not automatically create sustainable peace. Economic opportunity, employment, and infrastructure are critical components of durable social stability. Participants observed that development tools, when used strategically, can contribute meaningfully to all these dimensions of peacebuilding, though not all agreed on the appropriate institutional vehicles for doing so.

Across the discussion, a consistent message emerged: business responds to incentives and guardrails. Clear rules, predictable regulatory environments, enforceable contracts, and carefully structured risk-sharing mechanisms are prerequisites for sustained private investment. Where these conditions exist, capital will flow. Where they do not, private sector engagement will remain limited or transactional. The challenge, therefore, is not simply to bring private actors into development conversations, but to construct frameworks that align market behavior with inclusive growth. This requires disciplined use of public funds to “crowd in” larger private flows, careful attention to political optics, and country-level coordination that integrates local and multinational actors alike. If done effectively, private sector engagement can become a central driver of inclusive economic transformation rather than a peripheral supplement to public assistance.

The private sector working group joined the others in emphasizing the urgency of this moment. Amid budget retrenchment, geopolitical instability, and institutional flux, it is a time for clarity of purpose to generate political will. The resonance of these issues with younger generations is also critical. Youth will inherit the consequences of today’s policies, and their inclusion is therefore vital to ensure legitimacy and tap into new sources of innovation.

## Conclusion: From Rupture to Renewal

Recognizing from the start of its work that the postwar development architecture is not simply under strain but undergoing structural rupture, the group recounted the litany of challenges we face. Official development assistance is declining. Geopolitical competition is reshaping incentives. Debt burdens are crowding out social investment. Domestic political volatility in donor countries has weakened institutional continuity. At the same time, demographic pressures, climate shocks, and fragility are accelerating. Yet all agreed:

**This is also a moment of possibility.**

**Over the past twenty-five years, development cooperation has saved millions of lives and built delivery capacity across health, education, and humanitarian systems.** Countries are not where they were a quarter century ago. Institutions are stronger. Talent pools are deeper. Domestic actors are more assertive. African leaders, in particular, are signaling clearly that they seek partnership, not paternalism; investment, not dependency; sovereignty, not charity.

**“ This is about the balance of power. There is a fundamental question of not only who is at the table—but who sets the table. ”**

**Dr John Nkengasong,**  
Executive Director for Higher Education,  
Collaboratives & Strategic Initiatives,  
Mastercard Foundation



From Left to Right: Robert Mosbacher Jr., Ndidi Okonkwo Nwuneli, Amb. Mark Green, James Pickup, Rep. Ted Yoho, and Nisha Biswal

The central question is therefore not whether development should continue, but how it must evolve. Across all the group's discussions, a common thread emerged: **development must be re-anchored in inclusive economic**

**“ My greatest fear is that in reimagining global development we will not go far enough. What is needed is a truly radical shift from financing for development to promoting economic growth, which is the only sure — and sustainable — path from poverty to prosperity. ”**

**Gary Edson,**  
Co-Chair & President, More Perfect; Former  
Deputy National Security Advisor & Deputy  
National Economic Advisor to President  
George W. Bush

**growth and domestic agency.** Growth is not a technocratic metric; it is the foundation for jobs, infrastructure investment, resilience, and dignity. Public capital must be deployed strategically to unlock larger flows. Debt should be addressed as a structural barrier, not a side issue, and innovation should move from pilot projects to systems-level change. Private sector engagement should be aligned with rule of law and long-term public goods. Country leadership is central.

This is not a call to further dismantle what remains in the system. The multilateral system continues to deliver life-saving assistance at scale, retaining crucial expertise and operational capacity. What is required is disciplined reform to streamline fragmentation, clarify mandates, align incentives, and put the authority where it is needed to deliver on coherent mission goals.

Any technical solution that lacks political sustainability will fail. Bipartisan legislative support will depend on leaders who can speak clearly about costs, trade offs and objectives, making a case for development that rests on both shared

values and shared interests. The American public, like citizens elsewhere, can be moved by calls for dignity, opportunity, and peace, but only if the message is clear and credible.



Photo by Vrinda Batra

The group endorsed two action timelines. In the near term, urgent action is necessary to prevent erosion of hard-won gains. Debt restructuring, DFI optimization, and structured country dialogues anchored in growth can begin immediately. Tactical steps, such as improving interagency coordination, launching country-level innovation platforms, strengthening DFI cooperation, and building bipartisan support, can be advanced within months, not years.

At the same time, a longer-term vision must guide this work. The ultimate, transformative aim is a development system in which countries mobilize their own resources, private capital flows into productive sectors under clear guardrails, innovation is embedded in domestic institutions, and international cooperation supports rather than supplants sovereignty. A time horizon of years or even decades is likely necessary to align education, infrastructure, governance, and capital markets toward that end.

**“ What the world now needs is practical, scalable models that align government, capital, and business around long-term value creation. ”**

**Paul Polman,**  
Former CEO, Unilever

The Aspen Institute’s Global Prosperity, Security, and Development High-Level Strategy Group is not positioned to fully develop much less implement such a vision alone. But it can serve as a platform, or a “super collider,” bringing together the disparate elements of public officialdom, private sector leaders, philanthropy, civil society, and regional institutions to accelerate alignment. It can provide a platform for both urgent, rapid response task forces and long-term strategy exercises. It can test ideas in private settings, refine them with political stakeholders, and help to build ownership across sectors.

As one participant memorably put it, the arc of history does not bend automatically—it bends in response to deliberate action. If we fail to act, fragmentation and dependency will fill the vacuum. If we act with clarity, discipline, and partnership, however, the current rupture can become renewal.

# 10 Things the World Needs to Do Now to Reimagine Global Development

1. **Develop new principles for reimagined global development and cooperation** and build coalitions of support for these principles across partisan divides, sectors, and nations. Draw from the breadth of current efforts in this area to build consensus across initiatives for a shared set of principles.
2. **Support Global South sovereignty and sustainability strategies** including the Accra Reset, diaspora financing, debt relief, sovereign wealth funds, increased domestic financing and others by mobilizing broad based support, policy uptake, engagement, and explicit recognition of a new non-charity paradigm.
3. **Broaden the risk profile and toolkit of financial mechanisms used by the Development Finance Corporation and other multilaterals to enable increased resource flows** to innovative enterprises that create jobs, grow economies, promote health, provide education and build sustainable environments. Increase ability to mobilize and coordinate subsidized debt, concessional financing, first loss capital, guarantees, political risk insurance, impact bonds, and grants. Encourage collaborative risk sharing and partnerships among Development Finance Institutions.
4. **Establish large-scale, impact-focused sector-specific independent funds to address critical challenges** modeled after initiatives including PEPFAR, The Global Fund, and others. Support new issue-specific, targeted efforts, such as new nutrition initiatives, with clear targets, accountability and reduced implementation, regulatory and administrative costs.
5. **Scale-up first loss, patient, and concessionary capital tools** to mobilize and attract private capital investment in the Global South. Articulate and address barriers to entry for private investment and create champion investor groups to meet the challenges of the moment.
6. **Create country-level innovation funds to support large scale, high impact country-led innovation.** Consider feasibility of proposing a minimal fee from every donor investment to go into country-level innovation funds to support local enterprises building breakthrough solutions grounded in local realities and capacities.
7. **Identify, learn from and scale up systems-level, high-impact, proven innovations that move from projects to platforms.** Reduce replication and cost inefficiencies by investing in systems-level innovation such as digital ID, mobile AI for health and agriculture, regional research and development institutes, and others to increase impact at scale.
8. **Support a new global health architecture and country-led strategies** by reducing inefficiencies across health financing institutions and easing administrative burden on recipient countries. Consider coordinating health financing institutions under a unified governance structure and shared secretariat while maintaining distinct operational entities. Other promising global health financing initiatives are also underway to ensure continued momentum in global health outcomes.
9. **Establish a bipartisan Reforming Development Finance congressional working group and identify champions within the U.S. Administration** to build momentum and galvanize public support for development initiatives. Technical solutions to development challenges must be backed by strong U.S. bipartisan support to ensure their durability and long-term success.
10. **Invest in human capital as a top priority** to unlock the economic and productive potential of Global South youth populations in recognition of demographic realities and opportunities.

# The Aspen Global Prosperity, Security, and Development High-Level Strategy Group Participants List

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**The Aspen Global Prosperity,  
Security, and Development  
High-Level Strategy Group's Purpose:**

*Mobilizing global leaders from the multilateral, corporate, non-profit, philanthropy, and policy sectors to re-imagine international development and humanitarian assistance and create near-term action plans to propel these ideas forward.*

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