

New Collaboration Seeks to Extend Markets to the Underserved

Harvard's Center for International Development and MPOWER Join Forces to Launch the Empowerment Lab

CAMBRIDGE, MA and AUSTIN, TX, Sep. 22, 2008 – More than 50 global leaders from business, government, academia and the non-profit worlds are gathering Sept. 22 and 23 at the John F. Kennedy School of Government at Harvard University for the first **Global Empowerment Conference**, with a focus on extending the reach of financial markets to the global poor. The conference also serves as a backdrop for the launch of **The Empowerment Lab** at Harvard's Center for International Development.

Established with a seed capital grant of \$3 million from the MPOWER Foundation, **The Empowerment Lab** focuses on the search for solutions that promote economic inclusion, finding sustainable ways to empower millions of people across the world by providing them with access to key markets.

Suzi Sosa, president of MPOWER Foundation explained, “The poor in developing countries are excluded from markets either because the fixed costs of entry are prohibitive given their level of income or because they lack access to other complementary markets, such as power, water, phone service or the internet. Over time people excluded from these markets are left further and further behind as innovations built on previous technologies pass them by. More than two billion people around the world are entirely without financial services, and lack even a basic savings account. We have funded the Empowerment Lab at CID to understand and find solutions to this problem.”

The Empowerment Lab will create a secure data warehouse to make a wealth of information about consumer behavior available to Lab researchers and will sponsor researchers who work with private sector partners to extend the reach of financial markets.

Ricardo Hausmann, director of Harvard's Center for International Development, hailed the Lab as “a new way of doing research. By making valuable data available for research, the Empowerment Lab expands the space of what can be researched, while having an impact on the search for sustainable solutions to this problem.” As an example he cites the work of Empowerment Lab researchers in conjunction with Banco Agricola, El Salvador's largest bank,

to examine the effects of offering US-based migrants from El Salvador control over how the remittances they send home are used.

The Global Empowerment Conference seeks to foster dialogue and information sharing between academics, government officials and private sector leaders, at a time when the answers to some of the world's most serious challenges will result from collaboration between the sectors.

The two-day meeting provides the opportunity for innovators in the private sector to illustrate how new applications based on the ubiquitous use of cell phones in developing countries are creating a revolution in financial service delivery. Asheesh Advani, president and chief executive officer of Virgin Money; Carlos Danel, chief executive officer of Banco Compartamos; and Roy Sosa, chief executive officer of MPOWER Labs, Inc. will each showcase cutting-edge examples of mobile payment systems focused on underserved populations around the world.

Top academics in the field will discuss avenues for interdisciplinary collaboration necessary to advance understanding in this area. Participants include Asim Khwaja, associate professor of public policy, and Rohini Pande, Mohammed Kamal professor of public policy, Harvard Kennedy School; Professors Nava Ashraf and Peter Tufano, Harvard Business School; Yale Professor Dean Karlan; MIT Professor Sandy Pentland; and Albert Barabasi, director, Northeastern University's Center for Network Science.

For more information on The Empowerment Lab, or to become a partner of the Lab, please contact Marcela Escobari at marcela_escobari@ksg.harvard.edu.

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About the Center for International Development (CID)

This Harvard-wide center seeks to advance understanding of development challenges and to offer viable solutions to problems of global poverty. CID seeks to be a leading idea factory focused on resolving the dilemmas of public policy associated with the achievement of stable, shared, and sustainable prosperity in developing countries. Our ongoing mission is to revolutionize the world of development practice through the creation of knowledge. Learn more on the website: www.cid.harvard.edu

About MPOWER Foundation

The MPOWER Foundation (www.mpowerfoundation.org) is the philanthropic arm of MPOWER Ventures (www.mpowerventures.com), a socially committed venture fund investing in financial service companies targeting underserved markets. In support of a mission to empower the world's underserved shared by all members of the MPOWER Ventures portfolio, the MPOWER Foundation funds, conceives and operates mission-critical programs that cannot realistically achieve sustainable financial returns, including financial education, research, policy and other social initiatives essential for extending the reach of markets to billions of consumers around the world. The MPOWER Foundation awards grants by invitation only, identifying and selecting program investments through a venture investment model that emphasizes patient capital and quantitative impact measures.