



Africa Policy Outlook 2005

By Ann-Louise Colgan*

There are some people in the world's wealthy countries who forecast that 2005 will be a decisive year for Africa.

In the U.S., President Bush begins his second term in office with administration officials and pundits claiming that he has done more for Africa than any previous U.S. President. Britain this year holds the rotating presidency of both the European Union and Group of 8 (G-8) wealthy nations, and Prime Minister Blair has declared that addressing Africa's poverty will be the centerpiece of his agenda.

In 2005, a confluence of major international events will also spotlight Africa's poverty-related challenges, and will highlight the need for the world's richest countries to do more in support of Africa's efforts. In July, Britain will host the G-8 summit in Scotland. In September, a United Nations (UN) Special Summit will review progress on the Millennium Development Goals, which aim to reduce by half the number of people living in extreme poverty by 2015. In December, the World Trade Organization's (WTO) sixth ministerial conference in Hong Kong will reveal whether the Doha round of global trade talks have secured new deals to benefit the world's most impoverished countries.

Civil society campaigns in the U.S. and in Britain are also pushing 2005 as a special opportunity for rich country leaders to address poverty in Africa and other impoverished regions. They are optimistic about victories on debt cancellation, aid and trade this year.

It is important to note that these international meetings and campaigns are Northern-dominated and rarely include African input. Indeed, they can have the effect of drowning out African voices. Meanwhile, on the ground, African civil society campaigns, and some African governments, continue to demand real action on priority issues defined by Africans.

Then how should we measure the outcomes of these opportunities? For, while a new international focus on Africa is warranted, and while much more can and must be done to address the continent's challenges, the sad reality is that 2005 risks being another year of "compassionate showmanship" rather than a year of sea change. The poor track record of the U.S. and other rich countries when it comes to Africa requires us to watch carefully what transpires in 2005 and to be clear on how we will measure the success of their actions this year and beyond.

As genocide continues to unfold in Darfur, Sudan, the failure of the Bush Administration and other rich country governments to stop another such crime against humanity in Africa may yet be the darkest stain on their record in 2005.

The Bush Administration: Africa's Friend?

Over the past four years, George W. Bush has sought to portray himself as a “compassionate conservative” who cares about Africa, and in some circles he has succeeded in displacing his predecessor Bill Clinton as the U.S. President who is considered to have done most for the continent. As we face a second Bush Administration term, such high-sounding claims deserve scrutiny, as do our criteria for assessing the achievements of U.S. Africa policy.

The reality is that there has been a good deal of consistency in U.S. relations with Africa since decolonization and the Cold War. Successive U.S. Administrations have been motivated by calculations of Africa's geo-strategic significance, with the U.S. seeking to foster military and security relationships which advance its own agenda. U.S. policies have similarly been driven by the quest for Africa's natural resources, and have sought to promote greater trade and investment ties with key states on the continent.

In the 1990s, through successful public relations efforts, President Bill Clinton became known as a great friend to Africa. He made a much-publicized trip to the continent, the first substantive trip by a U.S. President in American history. Clinton proclaimed great concern for Africa's challenges and a commitment to enabling Africans to reach the continent's potential by encouraging trade, promoting debt relief, and supporting democracy throughout the continent. In fact, the symbolism of Clinton's Africa policy in many ways succeeded in masking the real damage that was done by his Administration, which ignored the genocide in Rwanda, failed to address the growing crisis of HIV/AIDS, abandoned the democracy movement in Nigeria and reconstruction efforts in Somalia, and neglected peacekeeping efforts in West Africa and elsewhere.

George W. Bush stated clearly in 2000 that Africa was not a priority, and the past four years have confirmed that while also maintaining a good deal of continuity with the Africa policy of his predecessor. Indeed, we have witnessed a similar duplicity, with the White House promoting its own economic and military agenda but seeking at the same time to portray itself as a great friend to Africa. The White House emphasizes that President Bush met with 25 African heads of state in his first two years in office, announced new initiatives on HIV/AIDS and aid, and pledged to significantly increase U.S. funding for both. He traveled to the African continent in 2003 for a five-day five-country trip. In 2004, his Administration recognized that genocide was taking place in Darfur, Sudan and claimed to be addressing this crisis.

Again, as under the Clinton Administration, the “compassion spin” has in some ways succeeded in masking the aggressive pursuit by the Bush White House of its own economic and military-strategic interests in Africa, and the consequent marginalization of African priorities. In other words, the Bush Administration's real interests in Africa are oil and strategic allies in the “war on terror” (see *Africa Policy Outlook 2004* <http://www.africaaction.org/resources/outlook/2004policyoutlook.php>). Its new initiatives on HIV/AIDS and foreign aid reach very few countries and remain underfunded, and the U.S. has failed to take real action to stop the genocide it has acknowledged in Darfur.

Yet while we have seen similar U.S. policies toward Africa pursued over successive Administrations, what sets the current White House apart, and harms Africa's interests in important ways, are two key tenets of its foreign policy philosophy. The first is its rejection of the process and principle of multilateralism when it comes to addressing urgent global issues. The second is its embrace of the ideology of the religious right, and the promotion of this ideology in its policies at home and abroad. Both of these tendencies undermine Africa's priorities, and particularly the fight against HIV/AIDS.

So while the Bush Administration will continue to tout what it's doing for Africa, it is important to look beyond such quantitative benchmarks as the number of African leaders who visit the White House or even the number of new initiatives pledged to help impoverished countries. These measures reveal little about the substance of U.S. policy toward Africa. Instead, a more sophisticated and qualitative measure is required, which examines the nature of U.S. initiatives and the reality of their implementation.

This Year's "Hot Topics" – Debt, Aid & Trade

This year's calendar of global events and negotiations indicates an international focus on three key issues of importance to Africa – debt, aid, and trade – and some progress is likely on each in 2005.

On debt, activism around the world in recent years has led to a growing realization on the part of rich countries that something must be done to address the debt crisis in the world's most impoverished countries. There has also been an increasing acknowledgment that the current debt relief framework – the Heavily Indebted Poor Countries (HIPC) Initiative – has failed to resolve this crisis. African countries continue to struggle under an unsustainable burden of debt, and are still required to spend some \$15 billion in debt service payments to wealthy creditors each year. Most African countries must spend more on debt service payments than they can spend on health care and education combined.

Last year, 100% multilateral debt cancellation for impoverished countries was put on the table for the first time during discussions among the Group of 8 leaders in June and then among their Finance Ministers in the fall. While these meetings produced statements in support of 100% debt cancellation, an agreement was not reached on the list of eligible countries or on the mechanism through which this would be financed.

There are still some differences between the U.S. and UK in these regards. The U.S. has claimed that it supports multilateral debt cancellation for 42 countries, to be paid for by the World Bank and International Monetary Fund (IMF), and that it sees a move from loans to grants at the World Bank as one key to breaking the debt cycle. However, the U.S. Treasury Department refuses to recognize the illegitimate nature of these debts, and has indicated that its main concern is really "debt sustainability". This concept refers to how much debt a country can carry without inhibiting economic growth, but it fails to acknowledge that no amount of debt can be sustainable for African countries at a moment when they face the worst health crisis in human history.

The UK, on the other hand, supports a less-ambitious debt deal for about 20 impoverished countries, but does not want the World Bank to use its own resources to cover this. Instead, the UK proposes that G-7 countries take over debt service payments on behalf of eligible countries for an initial 10 years, but without canceling their debts. The UK launched this new plan in January 2004 when Finance Minister Gordon Brown signed a deal with Tanzania to take over 10% of the debt payments it owes to the World Bank and the African Development Bank for 10 years.

Despite these disagreements, there are indications that an agreement can be expected in 2005 on some form of debt relief or cancellation for some sub-set of deeply impoverished countries. This will next be discussed at the “Group of 7” Finance Ministers meeting in February, and, if there is no resolution at this point, it is expected to be on the agenda of the G-8 summit in July.

Meanwhile, civil society groups and some governments in Africa and elsewhere in the global South continue to call for outright and unconditional debt cancellation, emphasizing that these debts are illegitimate and should not have to be repaid. They urge the Bush Administration to apply the same standard it has in calling for the cancellation of Iraq’s odious debt to the odious and illegitimate debts of African countries. Just as some creditor countries have offered to freeze bilateral debt repayments for the impoverished countries worst affected by the recent tsunami, campaigners call for Africa’s debt to be written off to enable the continent to spend its own resources on its own urgent priorities. With some deal on debt expected in 2005, campaigners will be entitled to claim victory but will continue to push for 100% cancellation. They will not be satisfied with any new creditor proposals to merely reduce Africa’s debt burden to “sustainable” levels, or to simply reduce countries’ debt payments.

Even after debt cancellation, additional development assistance will still be required for African countries to be able to address the challenges of poverty and HIV/AIDS. 2005 is a benchmark year for the Millennium Development Goals (MDGs), a set of international development goals that seek to improve health, education and the environment across the world, with the overarching aim of reducing by half the number of people living in extreme poverty by 2015. When the UN meets in September to review progress toward these goals, it will be clear that while some regions are on track, Africa remains the exception. In fact, an interim UN report has revealed that, at current pace, Africa won’t reach these goals until 2169 – and that will still only have reduced poverty there by half. The United Nations states that meeting the MDGs will require a doubling of annual development assistance from rich countries to impoverished countries throughout the world, to \$135 billion in 2006, then rising to \$195 billion by 2015. It describes this as “entirely affordable”, particularly when the world’s military budget is \$900 billion a year.

The Millennium Challenge Account (MCA) proposed by President Bush in 2002 was supposed to increase U.S. foreign aid over 3 years by an additional \$10 billion, so that by 2007 the U.S. would be spending 50% more (\$15 billion per year) on foreign aid than previously. But the MCA is already running behind schedule, and has yet to disburse any funds. In 2004, \$1 billion was appropriated for this account, and for 2005 this was only

slightly increased to \$1.25 billion, which is only half of what the White House requested. This amount remains far short of what the U.S. can and should provide, and is only a tiny fraction of what Africa needs. In addition, the MCA only directs aid to a handful of countries that meet specific political and economic conditions, so this initiative actually does little to support poverty reduction in the world's most impoverished countries because most are ineligible for its funding.

The UK, for its part, has pledged to double its bilateral aid to Africa, to reach \$1.9 billion by 2005. Gordon Brown has also proposed an International Finance Facility, which would allow countries to front-load aid by borrowing against future commitments, in order to support efforts to reach the MDGs. But it is clear that even with small increases in rich country aid budgets in recent years, far more resources will be needed to support African efforts to promote development.

Not only are aid flows insufficient, the patterns in which they are directed increasingly reflect geo-strategic concerns rather than efforts to reduce poverty. An *Oxfam* report from December 2004 warns that the "war on terror" and related geo-strategic calculations are dictating where aid money is directed in a dynamic reminiscent of the Cold War. Over the past 3 years, flows of aid from the U.S. to Israel, Egypt, Jordan, Iraq, Turkey and Afghanistan were equal to aid to the rest of the world combined. Furthermore, when up to 70% of U.S. foreign aid is tied to an obligation to use that money to buy goods and services from the U.S., this immediately undermines development efforts in African countries.

While to some the MDGs represent a useful political tool to mobilize international support for development, they have been criticized by many groups in the global south as being an over-simplified summary of the development commitments and targets that UN member states have agreed to at international conferences since the 1990s. Groups such as *FEMNET* (the *African Women's Development and Communications Network*) have critiqued the failure of the MDGs to make the correlation between achieving these development goals and the larger structural changes needed to achieve them. The goals may represent some key benchmarks in development progress, but they are all different indicators of the same poverty, and must be addressed at the same time, and at a structural level, to ensure real and sustainable human development.

Although there will be a lot of discussion of the MDGs this year, announcements of new money from rich countries appear unlikely. This despite the acknowledgment that reaching these goals in Africa and other impoverished regions will remain impossible without vast amounts of additional resources.

In a very self-serving way, rich countries continue to argue that integrating developing countries into the global economy through trade and investment is a more effective and sustainable way of reducing poverty than is aid or debt relief, so December's WTO meeting will be seen as significant for Africa. African governments and civil society organizations claim that developing countries lose more in blocked access to rich country markets each year than they gain in aid. In this sense, the WTO meeting in Hong Kong is seen by some as a real test of whether rich countries are willing to deliver on the

promises they made at the 2001 WTO Ministerial in Doha – to move away from protectionist policies and reduce tariffs and agricultural subsidies in order to promote economic opportunities for the world's most impoverished countries.

Despite the commitments made at Doha and subsequent trade meetings, the U.S. and rich countries have yet to take convincing steps toward fulfilling their promises to reform the global trade system to promote equity and development. While the collapse of the Cancun trade meeting in 2003 indicated a watershed moment in North-South trade negotiations, when developing countries stood together in defense of their development priorities, it is unclear whether progress made since then means rich countries are prepared to take action this year on contentious issues, such as agricultural subsidies. As a result, some commentators predict that the outcomes of the WTO meeting in December may in fact bring very few benefits, if any, to impoverished countries – a result which would clearly make a lie of previous commitments of rich country governments in this area, and could also threaten the future of the multilateral trading system.

While multilateral trade negotiations prove difficult, the U.S. remains focused on securing bilateral and regional trade agreements that can promote greater access for U.S. corporations to African markets. It continues to pursue a free trade agreement with the five-nation Southern African Custom Union (SACU), which would guarantee preferential access for U.S. companies to this export market. Last year, the African Growth and Opportunity Act (AGOA) was extended and the President announced in December 2004 that 37 countries will be eligible for AGOA in 2005. Since passing in 2000, this Clinton-era policy has become the centerpiece of U.S. economic relations with Africa, offering slightly improved access to U.S. markets to select countries for select products.

The latest U.S. Africa trade profile indicates that two-way trade between the U.S. and Sub-Saharan remains highly concentrated, both in terms of partners and in terms of products. A very small number of African countries account for the lion's share of total imports and exports. Key U.S. trading partners in Africa are the key oil producers on the continent, including Nigeria, Angola and Gabon, and the largest recipients of investment are also the major oil producers. In 2003, 70% of all U.S. imports from Africa were oil imports, and fully 80% of AGOA imports were petroleum products.

Oil is likely to remain a key motivator of U.S. Africa policy in the coming year. The amount of oil the U.S. imports from Africa will continue to increase, as will the importance of securing that oil supply through strategic military relations.

HIV/AIDS & Genocide in Africa – International Failures

It is not yet clear to what extent African priorities of defeating HIV/AIDS and promoting peace and security will feature on the agenda of rich countries in 2005. But what is already quite clear is the abject failure of these countries to respond to such priorities in Africa with the urgency they require.

The latest annual AIDS epidemic update released in December 2004 reveals that Sub-Saharan Africa is still by far the worst affected region in the world – home to up to 28

million people living with HIV/AIDS, or 64% of the global total. African women, particularly young African women, are disproportionately affected by this pandemic. It is estimated that almost 4 times as many young women as young men now live with HIV in sub-Saharan Africa.

U.S. policies on HIV/AIDS in Africa remain completely inadequate in the face of a crisis of this magnitude. The so-called “President’s Emergency Plan for AIDS Relief” (PEPFAR) began disbursing money in 2004, but focuses on only a dozen African countries. For 2005 Congress has appropriated \$2.9 billion for HIV/AIDS, Tuberculosis and malaria programs worldwide, which is a slight increase from the previous year but still is far less than is needed and very far from Bush’s original promise of \$3 billion per year for HIV/AIDS in Africa alone.

Beyond the inadequate funding levels, the approach of U.S. policies on HIV/AIDS continues to contradict what are some of the most important ways to address this crisis in Africa. Rather than promoting access to cheaper, generic versions of essential HIV/AIDS medications, the Bush Administration places a priority on its ties with the pharmaceutical lobby, and instead approves only the use of expensive name-brand drugs. These generally cost 3 times as much as the generic versions, thereby reaching only one-third of potential beneficiaries.

In addition, the Bush Administration’s embrace of the ideology of the religious right has led it to promote an abstinence-only approach to HIV prevention strategies at home and abroad. This perspective dangerously places a premium on ideology over science and flies in the face of what is known about the most effective ways to stem the spread of this disease in Africa and elsewhere. And abstinence-only prevention programs do little to support the needs of women, when many of those contracting HIV are staying faithful to one partner, and when effective prevention clearly hinges on women’s sexual and reproductive rights.

Meanwhile, the Global Fund to fight AIDS, Tuberculosis and Malaria, which has proven to be an effective mechanism for addressing this pandemic in some 127 countries, remains under-funded by the U.S. and other rich countries. Despite the demonstrated efficacy of the Global Fund, the U.S. still favors its own unilateral approach to addressing HIV/AIDS in Africa and globally.

HIV/AIDS remains the biggest challenge facing the African continent, but no major new actions are expected from rich country governments in this area in 2005. Britain intends to promote the more rapid pursuit of an HIV vaccine as part of its G-8 agenda, but while this is an important part of the global fight against AIDS, it does little to address the urgent needs of the nearly 3 million people who will die in Africa this year without access to essential treatment.

It is also unclear what action can be expected this year from the international community on the ongoing genocide in Darfur. It is now estimated that as many as 400,000 people have died in the past two years as a result of a government-sponsored campaign of genocide in this western region of Sudan. The U.S. government remains the only country

to have rightfully declared that what is happening in Darfur constitutes genocide, but its actions in response have been wholly inadequate, even callous. When declaring a finding of genocide four months ago, Secretary of State Powell also stated that this required no further action on the part of the U.S. Similarly, other UN members have revealed their unwillingness to take action, even as the violence and related humanitarian crisis in Darfur cost an additional 1,000 lives each day.

The U.S. and other countries recently applauded the signing of a peace deal in Sudan that brought to an end the decades-long war between North and South, but they also state that the crisis in Darfur must not be ignored. Negotiations between the Khartoum government and the Darfur rebels are set to resume in Nigeria at the end of January. A UN Commission of Inquiry will report in February 2005 as to whether it believes genocide is indeed taking place. But no urgent international action is on the agenda, and the intervention that is necessary to stop the genocide in Darfur seems unlikely without greater public pressure (which is growing in the U.S.). The limited African Union force in Darfur – only 1,000 troops of a promised 4,000 strong force – remains completely inadequate and overwhelmed, and lacks the troop strength, logistical support, and, most importantly, the mandate to protect civilians. The UN and its member nations will continue to discuss sanctions and embargos in the coming months, but there is no sign of a willingness on the part of any of the most world's powerful nations to take action to stop this crime against humanity.

Democracy & Peace

The recent signing of the historic North-South peace deal in Sudan brings to an end the longest-running war in Africa, and brings hope for the future democratization, political stability and economic prosperity of that country. Even while the ongoing crisis in Darfur casts a long shadow, 2005 will see some key steps toward the formation of a new coalition government in Sudan, and some observers hope that this may help to resolve the situation in Darfur and Sudan's larger national political crisis. The U.S. was instrumental in promoting North-South negotiations in Sudan in recent years, though the African negotiators were the most important agents in securing the peace that was signed in January 2005.

In Zimbabwe, elections to be held in March will attract significant international attention and will have major implications for the region and for the continent. It is not yet clear whether the opposition Movement for Democratic Change (MDC) will participate in the elections, but there are already concerns about whether these elections can truly be free and in light of government-imposed limitations on campaigning and restrictions on the media, among other repressive measures. These elections are a real test for Zimbabwe's political future and for African leaders' willingness to hold each other accountable.

In West Africa, two key elections are expected in 2005 – in Cote D'Ivoire and in Liberia – and both are considered very important for the political stability and economic prospects of that whole sub-region. In East Africa, there are hopes that this year may see the recently-elected government of Somalia move out of exile in Kenya and to the Somali capital, Mogadishu. In the Democratic Republic of Congo (DRC), the first general

elections since independence in 1960 are planned for June 2005, though they may be postponed until later in the year. There are real procedural and logistical challenges to holding this election, and the eastern part of the country remains very unstable. A December 2004 report from the International Rescue Committee reveals that over the past six years, 3.8 million people have died in DRC as a result of ongoing conflict, with most deaths the result of preventable disease and hunger.

Liberia, Somalia and DRC were all key U.S. allies during the Cold War, and the turmoil they have experienced over the past decade or more is in large part the result of the previous destabilizing influence of the U.S. Each country now faces an important moment in 2005, and a new chance to achieve peace and stability, though a sustained commitment from the U.S. to supporting these aspirations is unlikely.

Conclusion

The year has begun with a natural disaster of unprecedented proportions in the Indian Ocean, and, as the world struggles to help the countries of south Asia respond to this crisis, there are fears that this may divert attention and resources from Africa's needs in the coming year.

What is perhaps more significant is how the rapid and massive resource mobilization for the tsunami victims stands in stark contrast to the minimal level of global attention and resources given to crises that are less visible but equally deadly in Africa. In the first two weeks after the tsunami, international donors pledged more than \$5 billion to tsunami relief – an amount almost equal to the total amount that the UN received for all humanitarian relief efforts globally last year. The global AIDS crisis, which costs about 3 million lives each year, received pledges of only \$3.6 billion from all rich country governments for the whole of 2004.

If 2005 is to be a decisive year for Africa, the U.S. and other rich country governments must replace compassionate charades with serious action in support of Africa's most urgent priorities. They must cancel Africa's debts, greatly increase their funding to fight HIV/AIDS, fulfill their previous promises on trade-related reforms, and support multilateral efforts to promote peace & security in Africa, with the immediate priority of ending the genocide in Darfur.

** Ann-Louise Colgan is Director of Policy Analysis and Communications at Africa Action, the oldest Africa advocacy organization in the U.S. (<http://www.africaaction.org>)*

AFRICA ACTION

1634 Eye Street, NW #810, Washington, DC 20006.

Tel: 202- 546 7961; Fax: 202- 546 1545; Web: <http://www.africaaction.org>