

Bush Overstates Africa Aid Increase

By David Bryden | July 20, 2005

Now that the dust has settled from the rush of media reports about Africa brought on by the Group of Eight summit, it's worth taking a closer look at what the United States has actually committed to, in terms of aid for programs to address poverty and disease in Africa.

Just prior to the Summit, President George W. Bush said he would double U.S. assistance to Africa, and announced several new programs totaling \$1.65 billion. The largest component is for malaria prevention and treatment (\$1.2 billion), with smaller portions for education (\$400 million) and programs to combat sexual violence and abuse against women (\$55 million).

Unfortunately, UK Prime Minister Tony Blair's claim that the world has committed to a massive increase in new aid to Africa relies on a very rosy interpretation of U.S. spending proposals. Make Poverty History, the U.K. counterpart to the U.S.-based One Campaign, correctly noted less than half of the aid increase pledged by the G8 was new funding and called the G8 deal "too little and too late."

A closer look at Bush's actual spending proposal shows that only 9% of it consists of new money (\$800 million of the \$8.8 billion committed between 2004 and 2010). Bush did announce \$674 million in what he said was "additional" spending for humanitarian emergencies in Africa, but the fine print showed this was not actually new spending. In fact, the vast majority of the so-called "doubling" of U.S. assistance Bush promised is actually funding that was slated to be provided anyway, for the most part through the Millennium Challenge Account (MCA) as well as the President's global AIDS initiative. The MCA has been notably slow-paced, and Congress may well continue denying the increases that form a large part of the Bush pledge.

Malaria, Education

What new money there is in the U.S. proposal is primarily for programs on malaria and education. These are two areas where additional spending, directed in an effective manner, could do a great deal of good. Malaria deserves an emergency response; it is, after all, the biggest killer of African children. Between 300 and 600 million clinical cases of malaria occur each year, primarily in Africa. It has a huge economic impact on Africa, cutting the region's gross domestic product by about \$12 billion annually. The disease annually kills up to 3 million people. But, while the announcement on malaria sounded big, clever use of words concealed the fact that the proposal included all funds the United States had already planned to spend.

The actual increase of \$1.2 billion is significant, and is desperately needed, but \$500 million of it, nearly half, would not be provided until after Bush leaves office, even though there are malaria programs that could use the full level of funding right away. Investing \$3 billion a year would provide global coverage of malaria prevention and treatment, so real U.S. leadership would be providing a third of this annually, starting this year.

Congress already seems prepared to act faster on malaria than the President. While for 2006, the President proposes a \$30 million increase in bilateral malaria funding, this is less than the cut he had earlier proposed and less than the increase Congress is already preparing to make.



In recent weeks Congress has reversed Bush's cut and approved significant increases in the account for infectious diseases, which includes malaria funding. The House version of the foreign aid bill includes approximately \$100 million for USAID malaria programs, while the Senate version is even higher, at about \$140 million.

Let's put this in perspective. The United States provides about \$17.5 billion a year in foreign aid. Even though the 9/11 Commission called for increasing development assistance to safeguard global security, U.S. aid is still less than 5% of the annual military budget. Only about \$6 billion of that goes toward humanitarian and development assistance. Africa receives only about 24% of all foreign aid (about \$4.3 billion). Even though far richer than sub-Saharan Africa, Israel and Egypt together receive about \$4.5 billion a year, more than all African countries combined.

Global Fund

Just as important as the overall level of malaria funding is the way it is to be spent. The way the funds are to be channeled is highly unilateral, and this is something Congress must work to correct. Bush did not direct any of the new malaria funding to the Global Fund to Fight AIDS, Tuberculosis, and Malaria, which is the largest and most effective effort against malaria today. Louis Da Gama, the Malaria Director for the Massive Effort Campaign and a member of the Communities delegation to the Global Fund Board, was very critical of the plan. "The U.S. proposal could have had a multiplier effect if channeled through the Global Fund, since U.S. dollars would be matched two-to-one," Da Gama told journalists in a conference call. "But, sadly, the President is missing this opportunity."

The G8's declaration, which Bush signed, did mention the importance of the Global Fund.

Next year is a critical year for the Fund, as its resource needs escalate. The leaders said they would "work toward" replenishment of the Fund. While Germany is notable for its low level of support for the Fund, other G8 countries, such as France and Japan, have greatly expanded their contributions for 2006 and 2007. But, while the Fund has asked the United States to provide \$930 million for 2006, Bush has proposed giving just \$300 million (Congressional appropriators have increased this, but only by \$100 million).

The result is that while the United States claims to be the Fund's biggest supporter, at the current rate the U.S. contribution will be just 20% of all 2006 contributions. Even though France's economy is one-seventh that of the United States, the pledge from the French government is approaching what Bush has proposed the United States give in 2006, and in 2007 its contribution will exceed what Bush has proposed.

AIDS is an area where Bush often gets high marks from the media. Yet, at the G8 summit, U.S. pressure had to be overcome before a declaration of support for universal access to AIDS treatment by 2010 could be included in the final document. In the end, the leaders merely said they would get "as close as possible" to this goal, while failing to mention any specific financing plan.

Americans want to see the United States support a response to AIDS and other crises in which the United States shares the burden with other nations. This points the way to real alternatives. The United States should put much more of its funds into the Global Fund, where every dollar of the U.S. contribution is matched by two dollars from other nations. Since global health has correctly been identified by the United States as a security threat, the United States can certainly afford to redirect some of its foreign military aid to providing its fair share of what experts say is needed to fully

address malaria, as well as AIDS, tuberculosis, and the shortfall in funding for basic education.

School Fees

On education, the G8 leaders promised to support free access to primary education in Africa, but Bush's actual proposal on education fails to help eliminate school fees. The proposal's extra funding for the Africa Education Initiative will help improve educational quality, but the scholarships the Initiative provides go to only 300,000 children, instead of helping countries simply eliminate school fees altogether. Currently 25 million African children who should be in school are not attending, due to many factors including the onerous burden of school fees.

The actual funding level is extremely low, especially in the context of the quantum leap Blair and others have called for. The Commission for Africa found that up to \$8 billion is needed each year to address educational inequity. Yet, Bush is proposing only to continue an existing initiative and to increase by \$50 million the baseline funding level for education in Africa over the next four years. In the last four years, Congress, without significant support from the Bush administration, has increased the baseline funding level for basic education by \$339 million. Therefore the supposedly new U.S. initiative represents a fraction of what Congress has already pitched in to deal with the issue.

Other Promises

The United States also signed on to other critically important promises, such as to provide support for "all children left orphaned or vulnerable by AIDS or other pandemics" and to help countries train and retain health workers. Yet, missing from the final declaration is any mention of a process to develop a credible plan to achieve these or other critically important

goals. In particular, the United States and the other G8 countries seem to have no real strategy for how to erase the \$18 billion shortfall in resources which UNAIDS says countries could in fact use to fight the disease through 2007.

Progress achieved on debt cancellation could help address this funding gap. The agreement will release close to \$1 billion annually in resources poor nations can use for development. Already the Zambian government has said it will use debt relief proceeds to provide AIDS drugs to 100,000 HIV/AIDS patients. But the relief of payments comes slowly, partly as a result of the difficulties countries face in meeting the economic policy conditions set by the creditors. And, while the African Union has called for all African nations to receive debt cancellation, the G-8 agreement applies to only 14.

Now, the hard work begins of pressuring leaders, including Bush and Congress, to make the actual content of U.S. proposals match the G8 summit's lofty rhetoric.

David Bryden is the Communications Director of Global AIDS Alliance (www.globalaidsalliance.org) and a contributor to Foreign Policy In Focus (online at www.fpiif.org).

FOR MORE ANALYSIS FROM FOREIGN POLICY IN FOCUS

The Limits of Cotton: White Gold Shows its Dark Side in Benin

By Leif Brottem | July 14, 2005

<http://www.fpif.org/fpifxt/160>

The G-8 Debt Deal: First Step On A Long Journey

By Debayani Kar and Neil Watkins | June 21, 2005

<http://www.fpif.org/commentary/2005/0506debt.html>

U.S. Aid for Tsunami-Hit Nations Falls Short

By David Bryden | January 7, 2005

<http://www.fpif.org/commentary/2005/0501short.html>

Published by Foreign Policy In Focus (FPiF), a joint project of the International Relations Center (IRC, formerly Interhemispheric Resource Center, online at www.irc-online.org) and the Institute for Policy Studies (IPS, online at www.ips-dc.org). ©2005. All rights reserved.

Foreign Policy In Focus

“A Think Tank Without Walls”

Established in 1996, Foreign Policy In Focus is a network of policy analysts, advocates, and activists committed to “making the United States a more responsible global leader and global partner.” For more information, visit www.fpif.org.

Recommended citation:

David Bryden, “Bush Overstates Africa Aid Increase,” (Silver City, NM & Washington, DC: Foreign Policy In Focus, July 20, 2005).

Web location:

<http://www.fpif.org/fpifxt/171>

Production Information:

Writer: David Bryden

Editor: Emily Schwartz Greco, IPS

Layout: Chellee Chase-Saiz, IRC

