

WebMemo



Published by The Heritage Foundation

No. 1817
February 15, 2008

President Bush's Trip to Africa: Solidifying U.S. Partnerships with the Region

Brett D. Schaefer and Anthony B. Kim

President George W. Bush is scheduled to embark today on his second trip to Africa. The five-day visit includes stops in Benin, Tanzania, Rwanda, Ghana, and Liberia and will promote significant Bush Administration initiatives that address HIV/AIDS; combat terrorism; and promote development, good governance, and economic freedom in Africa. Indeed, the Bush Administration has demonstrated unprecedented attention and dedication to the region, including creating the President's Emergency Plan for AIDS Relief (PEPFAR); increasing U.S. official development assistance to sub-Saharan Africa fourfold; offering a new, more effective way to provide development assistance in the Millennium Challenge Corporation; and setting up a new combatant command dedicated to Africa.

President Bush's trip is the culmination of seven years of efforts to improve U.S. relations and create trade and development partnerships with African nations. These efforts have generated real improvements in the region. A great deal more can be achieved in the coming years, and America should continue to play a leading role in helping African nations take the steps necessary to improve economic growth and development and in expanding partnerships in the region.

In a contentious election year, Africa is an issue on which there is substantial agreement and significant potential for cooperation between Republicans and Democrats. The President's trip is a well-timed effort to emphasize the strides that have been made. Congress should work with the President to ensure that his initiatives continue to succeed beyond 2008.

Real Outcomes from America's Successful Engagement with Africa. Africa no longer sits on the margin of U.S. foreign policy interests. U.S. engagement with the region has been moving increasingly toward closer ties as Washington "recognizes the evolutionary change the continent is undergoing."¹ President Bush has met more African heads of state than any other U.S. President. He "has focused on ways to reshape the landscape and reframe the debate" on U.S. policy towards Africa with "emphasis on partnership and cooperation" that can produce positive, measurable results.² In recent years, the U.S. has successfully partnered with many African nations to combat the spread of disease, encourage economic development and growth, and elevate the stature of the region as a priority in U.S. foreign and national security policy.

Helping Africa Fight Diseases. The HIV/AIDS pandemic and other diseases like malaria and tuberculosis have undermined economic progress in Africa, threatening people's livelihoods and productivity, lowering life expectancy, and increasing child mortality. Recognizing the grave challenge that disease presents to the continent, President Bush has made fighting HIV/AIDS, malaria, and tuberculosis a priority for his Administration.

This paper, in its entirety, can be found at:
www.heritage.org/Research/Africa/wm1817.cfm

Produced by The Margaret Thatcher Center for Freedom

Published by The Heritage Foundation
214 Massachusetts Avenue, NE
Washington, DC 20002-4999
(202) 546-4400 • heritage.org

Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.

The most prominent effort is the President's Emergency Plan for AIDS Relief, more commonly known as PEPFAR. Announced in 2003, the five-year, \$15 billion initiative is the largest commitment by any country for an international health program dedicated to a single disease. While PEPFAR is global in scope, it has a strong focus on Africa: Twelve of the 15 focus countries are located there, including Botswana, Ivory Coast, Ethiopia, Kenya, Mozambique, Namibia, Nigeria, Rwanda, South Africa, Tanzania, Uganda, and Zambia.³

PEPFAR included among its original goals providing treatment to 2 million people infected with HIV; preventing 7 million new infections; and providing care for 10 million persons, including orphans and at-risk children.⁴ Over the past five years, the program has made it possible for 1.4 million people in Africa to receive life-saving treatment,⁵ with a special emphasis on preventing infant infections. In his 2008 State of the Union Address, President Bush urged Congress to double funding for the program to \$30 billion over the next five years to treat 2.5 million people; fund prevention efforts for 12 million people; and provide care for another 12 million, including 5 million orphans or vulnerable children.⁶

In addition to PEPFAR, the five-year, \$1.2 billion President's Malaria Initiative, which aims to halve the mortality rate of the disease over five years in 15

African countries, has brought real benefits to people in Africa. Through public-private partnerships, more than 6 million insecticide-treated bed nets are being distributed, and about 25 million people have already benefited from them.⁷ The U.S. has also been the largest donor to multilateral efforts to combat disease, including providing more than 27 percent of funds for the Global Fund to Fight AIDS, Tuberculosis and Malaria.⁸ Congress should support the President's efforts to combat disease in Africa, as these programs have demonstrated significant achievements.

Partnering with Africa for Economic Growth and Development. In parallel with PEPFAR and the Malaria Initiative, the Bush Administration dramatically increased U.S. assistance to sub-Saharan Africa and created the Millennium Challenge Corporation (MCC) in 2004. The MCC administers the Millennium Challenge Account, an innovative approach to providing U.S. development assistance to sub-Saharan Africa.

From 2000 to 2006, the United States doubled its development assistance to \$21.5 billion and quadrupled its development assistance to sub-Saharan Africa to \$5.6 billion.⁹ The U.S. is also the world's leading provider of humanitarian and food assistance, which has saved millions of lives in Africa and elsewhere. In 2006, the U.S. provided more than \$3 billion in humanitarian assistance in more

1. U.S. Department of State, "Africa's Strategic Importance to U.S. Is Growing, Envoy Says," May 14, 2007, at www.america.gov/st/washfile-english/2007/May/200705141556461EJrehsiF0.9337885.html.
2. Linda Thomas-Greenfield, Principal Deputy Assistant Secretary, U.S. Department of State, "U.S. Foreign Policy Priorities in Africa," speech given to National Council of International Visitors, February 15, 2007, at www.state.gov/p/af/rls/rm/80210.htm.
3. U.S. Department of State, "The President's Emergency Plan for AIDS Relief: U.S. Five Year Global HIV/AIDS Strategy," February 23, 2004, at www.state.gov/documents/organization/29831.pdf.
4. *Ibid.*, p. 7.
5. President George W. Bush, "2008 State of the Union Address," January 28, 2008, at www.whitehouse.gov/news/releases/2008/01/20080128-13.html.
6. The White House, "Advancing an Agenda of Compassion Worldwide," at www.whitehouse.gov/stateoftheunion/2008/initiatives/compassion.html (February 5, 2008).
7. *Ibid.*
8. Global Fund to Fight AIDS, Tuberculosis and Malaria, "Pledges," December 31, 2007, at www.theglobalfund.org/en/files/pledges&contributions.xls.
9. The aid figures are based on constant 2005 U.S. dollars and total ODA gross disbursement. See Organization for Economic Cooperation and Development, "Development Database on Aid from DAC Members: DAC online," at www.oecd.org/document/33/0,2340,en_2649_34447_36661793_1_1_1_1,00.html.

than 50 countries and more than \$2 billion in food aid in 82 developing countries.¹⁰

However, the Bush Administration recognizes that the level of aid funding is not necessarily a measure of effectiveness. Despite hundreds of billions of dollars in foreign assistance, most African countries are little better off today than they were decades ago.

The bulk of economic evidence shows that, while there may be a role for assistance and donor nations, the key to development lies in the hands of the governments of developing countries. African countries must first remove obstacles to development by adopting policies that bolster free markets and entrepreneurship, good governance, and the rule of law. These conclusions closely adhere to the evidence provided in the *Index of Economic Freedom*, an annual study by The Heritage Foundation and *The Wall Street Journal* that looks into countries' economic policies to measure their level of economic freedom and finds that, "in pursuing sustainable prosperity, both the direction of policy and commitment to economic freedom are important."¹¹

Based on this understanding, the Bush Administration proposed a new way of providing development assistance that encourages recipients to adopt sound economic policies. The MCC targets assistance toward low-income and lower-middle-income countries with a demonstrable record of investing in people and promoting policies that bolster economic growth and the rule of law. The overarching

goal is to help countries graduate from the need for foreign assistance.

Over the past four years, the MCC has created remarkable policy reform competition, known as "the MCC effect," among countries that wish to qualify for an MCC "compact agreement" or a "threshold program."¹² By increasing transparency in compiling and disseminating economic statistics and competing with each other for MCC grants, these countries have been motivated to pursue real policy improvements.

The reforms brought about by "the MCC effect" have encouraged entrepreneurial activities and created more favorable conditions for economic growth and development. Of the MCC's 16 compact agreements, nine are with African nations, including three of the five countries on the President's trip (Benin, Tanzania, and Ghana). The nine African compacts total nearly \$3.8 billion, which accounts for 70 percent of the MCC's total grants to date.¹³ Additional threshold programs totaling \$100 million have been channeled to the seven African countries among the MCC's 18 threshold countries.¹⁴

To ensure the MCC's mission to "reduce poverty through sustainable economic growth in the developing world," President Bush requested in his fiscal year (FY) 2009 budget \$2.23 billion for the MCC, an increase of \$680 million over the level enacted for FY 2008.¹⁵ Congress should fulfill this request to ensure the initiative's continued success.

-
10. U.S. Department of State, Office of the Spokesman, "The United States and International Development: Partnering for Growth," Fact Sheet, December 31, 2007, at www.state.gov/r/pa/prs/ps/2007/dec/98156.htm; Office of U.S. Foreign Disaster Assistance, *Annual Report for Fiscal Year 2006*, Introduction, at www.usaid.gov/our_work/humanitarian_assistance/disaster_assistance/publications/annual_reports/pdf/AR2006.pdf; and United States Agency for International Development, "U.S. International Food Assistance Report 2006," Executive Summary, December 2006, at www.usaid.gov/our_work/humanitarian_assistance/ffp/cr_food_aid.pdf.
 11. Kim R. Holmes, Edwin J. Feulner, and Mary Anastasia O'Grady, *2008 Index of Economic Freedom* (Washington, D.C.: The Heritage Foundation and Dow Jones & Company, Inc., 2008), Executive Summary, at www.heritage.org/research/features/index/chapters/pdf/Index2008_ExecSum.pdf.
 12. According to the Millennium Challenge Corporation, "A compact is a multi-year agreement between the Millennium Challenge Corporation and an eligible country to fund specific programs targeted at reducing poverty and stimulating economic growth." A threshold program is a contract between the U.S. and a country that provides financial assistance to help improve a low score on one of the MCC's 17 policy indicators. For more information, see www.mcc.gov/programs/index.php.
 13. "MCC and Africa: A Partnership for Progress," remarks by MCC CEO Ambassador John Danilovich, at www.mcc.gov/press/speeches/documents/speech-012908-africasociety.php.
 14. *Ibid.*

Enhancing Economic Growth Through Trade and Investment. Seizing on another powerful anti-poverty tool, the Bush Administration has expanded trade with Africa by opening the U.S. market through the African Growth and Opportunity Act (AGOA). Trade and investment flows dwarf official development assistance. For example, in 2006, trade and investment with sub-Saharan Africa from the U.S. alone totaled more than \$80 billion. In comparison, total development assistance to sub-Saharan Africa from all donors that year was only \$39.9 billion.¹⁶

Moreover, trade and investment are more effective at promoting economic growth because they directly contribute to private-sector development without a government or nongovernmental organization (NGO) intermediary. In this manner, trade efficiently spurs economic growth, increases entrepreneurial opportunities, and creates new and better-paying jobs.

AGOA, which was enacted in 2000, has been the cornerstone of America's trade and investment policy with sub-Saharan Africa. By encouraging trade and investment, AGOA has helped enable African nations to take advantage of opportunities to improve growth through integration into the global economy.

Through AGOA, many African goods receive zero-tariff access to the U.S. market.¹⁷ In response to these lower costs, two-way trade between the U.S. and Africa has grown by almost 140 percent since the introduction of AGOA, including an increase of more than 90 percent in non-oil/gas trade.¹⁸

For Africa to benefit fully from trade, however, tariff and non-tariff barriers must be eliminated

more broadly. The U.S. has pressed other nations in the World Trade Organization to adopt measures through the Doha Round to remove anti-development practices that inhibit trade between developing countries and between developed and developing countries. As noted by National Security Adviser Stephen Hadley:

The United States is also seeking to open markets through the Doha Round of trade negotiations. Doha represents a once-in-a-generation opportunity to help millions in the developing world rise above poverty and despair. And the President is committed to concluding an ambitious Doha Round agreement this year.¹⁹

Congress should support U.S. efforts in the Doha round by agreeing to provide fast track status to the trade reforms resulting from the Doha negotiations.

Recognizing Africa's Increasing Strategic Importance. Africa is no longer a distant region whose instability and problems can be ignored by the U.S. As articulated in the National Security Strategy, the need to expand and ensure America's access to energy resources, prevent the spread of terrorism in weak or failed states, and address transnational health and environmental concerns has transformed Africa from a strategic backwater into a priority region for U.S. economic, political, and military interests. America has become increasingly involved in the region since the end of the Cold War, with more than 20 U.S. military operations in Africa between 1990 and 2000 and another 10 since 2000. These concerns and operations, combined with a rising expectation by many in America and other

15. Millennium Challenge Corporation, "MCC FY 2009 Budget Request Supports Continued U.S. Commitment to Reduce Poverty," Fact Sheet, February 2008, at www.mcc.gov/documents/factsheet-020408-fy09budget.pdf.

16. Danielle Langton, "U.S. Trade and Investment Relationship with Sub-Saharan Africa: The African Growth and Opportunity Act and Beyond," Congressional Research Service, updated September 12, 2007, at <http://italy.usembassy.gov/pdf/other/RL31772.pdf>; Organization for Economic Cooperation and Development, "Development Database on Aid from DAC Members: DAC online."

17. Thirty-eight of the 48 sub-Saharan African countries are currently eligible for AGOA.

18. U.S. Department of Commerce, International Trade Administration, Office of Trade and Industry Information (OTII), Manufacturing and Services, "TradeStats Express Home," at <http://tse.export.gov/ITAHome.aspx?UniqueURL=42jf4a45jgkkaulddgjz245-2008-2-13-15-54-5>.

19. Remarks by National Security Adviser Stephen Hadley at Carnegie Endowment for International Peace, February 4, 2008, at www.whitehouse.gov/news/releases/2008/02/20080204-5.html.

countries that the U.S. should intervene in internal and regional African conflicts more frequently and actively, make it likely that the U.S. will become more involved in the region in coming years.²⁰

In recognition of Africa's rising importance, President Bush announced on February 6, 2007, that the United States will create a new, unified combatant command for Africa (AFRICOM) to oversee security, enhance strategic cooperation, build partnerships, support nonmilitary missions, and conduct military operations as necessary. The unique challenges facing Africa led the Administration to set up a new type of interagency command for the continent. The President made clear that he sees the new command as having more than simply military responsibilities: "The Africa Command will enhance our efforts to bring peace and security to the people of Africa and promote our common goals of development, health, education, democracy, and economic growth in Africa."²¹ The new command will draw heavily from the U.S. State Department, the U.S. Agency for International Development, and other federal bodies for expertise.

Creating an independent command for Africa elevates the foreign policy and national security issues critical to the region in U.S. policy circles. This move is merited by the region's increasing importance to U.S. national and economic security.

President Bush has demonstrated foresight in calling for an Africa Command, and Congress should support it.

Conclusion. President Bush's second visit to Africa is an excellent opportunity to highlight the many successful efforts and programs initiated and expanded by the Bush Administration that benefit both the United States and the people of Africa. America's constructive engagement with Africa and the President's appreciation of the region's growing importance should be noted and supported by Congress.

There is substantial agreement by both sides of the political aisle on the need to forge close relations with African countries and work together to promote economic growth, stability, and good governance. Congressional action to support these programs is critical to maintaining America's efforts to replace poverty with prosperity in the continent. Congress should support these initiatives and programs so that America can continue its efforts to guide Africa into a brighter future.

—Brett D. Schaefer is Jay Kingham Fellow in International Regulatory Affairs in the Margaret Thatcher Center for Freedom, and Anthony B. Kim is a Policy Analyst in the Center for International Trade and Economics, at The Heritage Foundation.

20. For more details, see Brett D. Schaefer and Mackenzie Eaglen, "Clarifying the Future of AFRICOM," Heritage Foundation WebMemo No. 1644, September 27, 2007, at www.heritage.org/Research/Africa/wm1644.cfm#_ftnref6.

21. Pauline Jelinek, "Pentagon to Set Up New Command in Africa," Associated Press, February 6, 2007, at www.chron.com disp/story.mpl/ap/politics/4530336.html.