NEXT STEPS FOR U.S. AFRICA POLICY:
A DEBRIEF OF PRESIDENT BUSH'S TRIP TO AFRICA
(UNEDITED TRANSCRIPT PREPARED FROM A TAPE RECORDING)

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MR. MOSS:  Welcome to the Center for Global Development's debriefing of the presidential trip to Africa. We are looking forward to an open and frank discussion of some of the critical and emerging issues in U.S.-Africa relations.

As you know, Africa and African development are among the core issues of the center's work, and will continue to be so. Judging by the media coverage this week and also by the great turnout today, especially on a Friday afternoon in July, clearly President Bush's trip to Africa has generated an unusually high level of interest in Africa. Certainly the current crisis in Liberia and possible deployment of troops there have certainly added to this and given these issues some urgency.

The administration, as most of you know, has announced several very high-profile and ambitious programs that will affect U.S.-Africa relations. We have the Millennium Challenge Account, the AIDS initiative, several private sector development issues. And these, if implemented, would likely result in historic highs in America ODA flows to Africa. And they may also fundamentally challenge the popular notion that Africa perhaps isn't that important to this administration or to this country. Indeed.

Partly for these reasons, these initiatives have been met with some criticism, especially in the media. And our panel here today will help us think about the road ahead for these initiatives and for U.S.-Africa relations more generally in the wake of the presidential trip.

Questions: Are U.S. national interests being redefined now in ways that raise Africa's profile and importance for the United States? What are the prospects for the AIDS initiative and the MCA and other initiatives to serve those interests? And, really, what are realistic expectations for those programs?

Today we have with us four distinguished guests. To my right is Jendayi Frazer. She's a special assistant to the president and senior director for African affairs at the National Security Council. On my left is Patrick Cronin. He's assistant administrator for policy and program coordination at USAID and has recently been named to head an inter-agency working group to lay the groundwork for implementation of the Millennium Challenge Account.

On his left is Salih Booker, who is the executive director of AfricaAction, former director of the Council of Foreign Relations African Studies Program. And to the far right is Steve Radelet, a senior fellow here at the Center for Global Development and, prior to coming to the center, he was deputy assistant secretary at the U.S. Treasury for Africa, Middle East, and Asia.

My name is Todd Moss. I'm a research fellow here at the center. And rather than listen to me, I'm going to turn it over to Jendayi.

MS. FRAZER:  Thank you. We have a lot of time and a lot of people, and so we should have very good discussion, some very thorough discussion. What I'd like to do is take up the charge of the, sort of, post-trip Africa policy by first focusing on where we went and why we went there, and then talk about how we will follow up on some of the initiatives that have been mentioned--but more importantly, I think, just what the vision is, what we're trying to accomplish in our Africa policy.

As all of you know, we went to five countries--South Africa, Nigeria, Senegal, Botswana, and Uganda. Many people ask the question, well, why these five countries?--there are 48 in sub-Saharan Africa. Certainly I heard that question from many of the African ambassadors here and many of the heads of state who invited the president to come to their countries. Let me tell you why those five, because it really--they came directly out of what we've been trying to accomplish on our Africa policy since we came into office in January of 2001.
We talk about our Africa policy in terms of three major pillars. And I'll just very briefly go over those pillars so that you can get the, sort of, foundation here. The first pillar, really, is our strategic approach. And what we're trying to do is we recognize that in fact there are 54 countries on the continent, 48 in sub-Saharan Africa. You can't engage each country at the same level. So what we're trying to do is to build a policy that's based on the sub-regions. So we have a policy towards West Africa, a policy on Central Africa, a policy on Southern Africa, East Africa, and the Horn of Africa. So that's the sort of first analytic take that we--or cut for our Africa policy.

Secondly, what we do within each of those sub-regions, we've tried to identify what we call as those strategic countries to that sub-region. And what do we mean by "strategic"? They're strategic in their impact on their sub-region by way of the size of their population, the size of their economy, their infrastructure, perhaps their military power, their economic power. And so if you go to West Africa, obviously, Nigeria, with 120 million people, is a strategic country to the sub-region. Also, if you look at any type of African peacekeeping--we're contemplating now how we're going to address Liberia--Nigeria has to be a part of that solution.

And so, really, it's what country or countries have a major impact. If you go to Southern Africa, obviously South Africa is our largest trade partner, it's the biggest economy in Southern Africa. If you go to East Africa, Kenya is the largest economy, it's got the main infrastructure in East Africa. And if you go to the Horn, we've chosen Ethiopia as a strategic partner because of the size of its population, with 60 million.

So we're essentially saying the first cut, let's look at a strategy for addressing Africa policy and let's develop that strategy around each sub-region and key countries within that sub-region. Two of those four that I just mentioned, we visited; all four are mentioned in the president's national security strategy.

Our second pillar of our policy-- And mind you, let me just go back to the first pillar. We're not simply trying to engage "hegemons." What we're trying to do is recognize that there are certain countries that are critical to their sub-region, but also engage the sub-regional organizations in each of those sub-regions--so ECOWAS, SADIC, IGAT, and CEMAC in Central Africa as well. This will become important when we talk about our approach towards conflict resolution--so the key countries and the sub-regional organizations.

The second pillar of our policy is to look at key policy priorities. What are the major challenges that Africa faces? And the president articulated these repeatedly on the trip: HIV/AIDS, the pandemic of HIV/AIDS--we have to do something about that; it impacts every sector of society. Poverty. The challenge of economic growth and development. And, obviously, conflict resolution--and I like to talk about it in terms of ending Africa's major wars, of which we identified five coming in that were possible for resolution--that being Sierra Leone, which I think we've made major progress on with a new elected government; Angola; Burundi; Congo; and Sudan. So those are the five major conflicts that we thought we could actually have a positive impact on from the beginning of this administration, and we continue to prioritize.

Each of those policy priorities the president has developed some form of an initiative on, which we will get into extensive discussion. Obviously, on HIV/AIDS, when he first came into office, he made this a focus of this administration in the Rose Garden, so giving the sort of visibility that one gets from the Rose Garden, announcing the U.S. as a first contributor to this idea, which was the Global Fund. And at that time, it was simply an idea. And he did that with Kofi Annan and President Obasanjo. And the reason he did it, he invited them to come to the Oval--and with members of the Hill, they had a meeting first in the Oval Office and then went out to the Rose Garden--was to emphasize the need to work with African partners, the need to work
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with the U.N. and multilateral institutions, and the recognition that the power of the purse in our
government rests with the Congress.

So essentially, he started the emphasis and the focus on addressing this first priority
through the contribution that essentially started the Global Fund. We continue to contribute to
that.

Secondly, he then did the mother-to-child transmission initiative, which, again, was
done in the Oval Office, which was a step towards our bigger initiative, which is really focusing on
treatment. And we've always said that our HIV/AIDS policy was an integrated approach from
prevention to treatment to care and building health infrastructure. And the three initiatives are
really components of that integrated approach.

Secondly, the policy priority of ending poverty or achieving economic growth. And
the president really sees the focus of our anti-poverty, economic growth strategy as trade, and free
trade. And that's where the Africa Growth and Opportunity Act becomes so important. And the,
sort of, visibility of AGOA as a primary mechanism by which we're going to address economic
growth and poverty alleviation is the level of participation in the very first AGOA forum in the
United States. The president himself addressed the forum, as did Secretary Powell, Secretary
O'Neil, Secretary Evans, our trade representative Zoellick, and the national security advisor. So all
cabinet-level officials addressed that AGOA forum and highlighted the importance of it as sort of
centerpiece of our approach towards economic growth in Africa.

The initiative that came out of that is a recognition that it can't simply be trade.
There are certain countries that have the right policies in place that will require some assistance,
and that is the Millennium Challenge Account. And so that's an additional piece of our approach
towards our second priority.

And then, on the third priority, the conflict resolution, I've already mentioned the
five major conflicts that we're trying to address. Our approach is very much to work with sub-
regional organizations in all of these conflicts. So we worked very closely with ECOWAS and
with the U.N. to solve the Sierra Leone conflict.

And what did we do exactly? When we first came in, the president slapped on the
sanctions, tightened the U.N. sanctions against Charles Taylor because our analysis was the
problem in Sierra Leone stemmed from Liberia. And so we tightened the sanctions around Charles
Taylor. We also felt that the U.N. peacekeeping force that was in Sierra Leone was not sufficient,
it was not adequate. Essentially it was sitting in Freetown while the RUF were operating in all the
diamond areas.

And so what we said to the U.N. was, get some troop contributors that can actually
fight, because the environment in Africa is a peace-enforcement environment. Give them a
Chapter 7 and let them take the territory. Press the RUF so that the RUF can't have all these--sit on
all of this resource base, which were the diamonds. And essentially they did that, and eventually
the RUF recognized the calculation and disarmed.

And so that really was our, sort of, multilateral approach working with the regional
organization and working with the U.N.

We've been very much involved in the Congo as well, very quietly, but particularly
in support of President Mbeki as the chair of the African Union, and in support of the U.N. And
we just recently took a decision--again, give it a Chapter 7 mandate, MONUC needed a Chapter 7
mandate, we're voting for that Chapter 7 in Kivu and in Ituri, and also to increase the strength level
in the Ituri area of the MONUC peacekeeping force. So that sort of is the Congo.
Burundi is a major challenge. We are still working with the AU, trying to get the AU forces in there—Ethiopia, South Africa, and others. And on Sudan, we're working very closely with Kenya. In fact, the special envoy is now in Sudan, Senator Danforth. He just left Sudan; he's in Kenya. We're really trying to work with the Kenyans in the context of the IGAT forum to bring the SPLA and the government of Khartoum together. So a multilateral approach, particularly working with the regional organizations and the U.N.

Finally, the third pillar of our approach is really sort of the principles of our bilateral engagement. And that's talking—we just don't want to engage those countries that have a major impact on their sub-region, but also those countries that are doing the right thing. Those countries that have the economic reforms in place, that are--sort of the principles of the MCA--they're governing well, are ruling justly, they're investing in the health and education of their people, and they're promoting economic entrepreneurship and good macro-economic policy.

So in each sub-region, we look for those countries of that quality. Hence, in West Africa, when the president went to West Africa, he went to Senegal. We see Senegal in that category of a really good-performing country. And while he was in Senegal, he held a meeting with West African democracies to try to emphasize this principle of ruling justly, governing well. And so that was the reason for that roundtable in West Africa. It wasn't by chance.

In Southern Africa, a country like Botswana really fits the bill, a country that has the fastest-growing economy in Africa, that has a competitive rate that's as high as Japan's. I mean, it's a country that's got a very strong democratic tradition. So the president went to Botswana. And he was really trying to say to American business, You can invest in a country like Botswana. You know, this is where--because we need to increase foreign direct investment in African countries. We heard that from all of the leaders. Go to a Botswana, work with small business, work with the government, work with the corporate sector, entrepreneurs. There's investment opportunities in a place like Botswana. So that's sort of the economic entrepreneurship.

And then he went to Uganda to really emphasize that, especially to the Hill, to the Congress, to say to them there are countries in Africa that have succeeded against this HIV/AIDS pandemic. There's real hope on the continent, there are real partners that we can engage. And he went to Uganda to say my HIV/AIDS emergency initiative is based on the model of Uganda, the ABC model. So there's real hope, there's real opportunity, and there's real leaders that we can engage.

And so in each of the stops of the smaller countries, that's separate from Nigeria and South Africa, which are in a category of strategic countries. The country was selected to emphasize one of the policy priorities of the three that I just laid out.

I think that's really it. Most of you have seen the itinerary. You saw what the president did. I certainly can answer more questions in the dialogue. And I would also bring to your attention that we left books out on the front table for you, which is what the president calls Delivering on Africa's Promise. And the theme of the trip is really highlighted in this book, as well as the various initiatives and the policy that I laid out.

The president's vision, just to conclude, to give you the bigger picture—I just gave you the Africa policy specific, but the president's vision is one in which he talks about making the world safer and making the world better. And the "safer" part is, especially after 9/11, focused on sort of the counter-terrorism agenda, but the "better" part is focused on economic growth, trade, and addressing health pandemics in Africa.

So that in a nutshell is how this trip fit into the Africa policy. On the trip, the president announced three other areas in which he really wanted to work more extensively. Before
he left, he talked about the East Africa counter-terrorism initiative. I'm happy to take any questions. At the Sullivan luncheon, he mentioned the Africa mortgage market initiative to really stimulate Africa capital markets. And he also, before the trip, talked about the need to increase our training of Africa peacekeeping forces.

So that's, I think, in terms of sort of a look ahead post-trip, where is our Africa policy heading: It's really to focus on capital markets, peacekeeping, and beefing up the capacity of Africa countries to address the terrorist threat.

MR. MOSS: Thank you. Patrick?

MR. CRONIN: Thank you very much. I think for all that Dr. Jendayi Frazer just said, she's been very succinct and modest, I would even say, in light of everything that she's been doing. She's a tireless and persuasive top-level official in this administration, has really been able to work with all the key players from Dr. Rice to Secretary Powell to Administrator Andrew Natsios, to achieve more for Africa than we've ever achieved before, with Africans.

And that has certainly been the message on development assistance, humanitarian assistance, that this administration is fighting hard to provide more more effectively. And now to go from sort of the blueprint to reality with something as ambitious as this new Millennium Challenge Account. And those are really the three things I just want to touch upon briefly before turning to the next speaker.

More assistance for Africa. The HIV/AIDS initiatives in this administration have focused 6/7 of the money on 12 African nations. The famine prevention initiatives, the additional money for famine prevention and relief in Africa this year, $800 million alone, very much increasing the assistance to Africa. The Millennium Challenge Account, I can't give you a percentage, but I would not agree with the statement of Congressman Lowey that only three countries may benefit from this even in year one. I think that Africa does extraordinarily well, in everything we have seen. In some of the country runs we've done, it's been half of the countries. A lot will depend with respect to the level of funding, of course, because no matter how many countries, if the funding doesn't follow, then we can only do so much.

So we're doing more for Africa. We have a committed administration working hard on this. And we're also trying to deliver this assistance more effectively than before.

The Millennium Challenge Account is based on the principle of selectivity, which most people in the development community understand to be a critical principle if you're going to, hopefully, achieve more on the ground. If you've got political will and hence the need to reward countries that are governing justly, that are investing in their health and education of their people, and that are practicing open economic policies. And that's the reason for the selectivity.

The participation is also something that's going to be highlighted in the Millennium Challenge Account. It's consistent with the NEPAD principles that African leaders themselves are pushing in terms of their role, their responsibility, following up on the consensus at Monterey, Mexico, in the Financing for Development Conference sponsored by the United Nations last year. It's consistent with the Global Fund approach, which is relying on a very streamlined staff of 70 people in Geneva--not sort of the 8,000-member staff that we have at USAID--to deliver a lot of assistance in a timely fashion and, hopefully, in a very effective fashion.

So it's going to try to create something new. And we'll talk more about that. It's also going to be, hopefully, more effective by focusing on huge impediments to economic growth in these better-performing poor countries--focused on the health sector or the education sector, or focused on the agricultural sector or some other part related to economic
growth in the country so that it can really, hopefully, make a difference in this country in a number of years and accelerate that country's movement from poverty into something more prosperous and more equitable in Africa and elsewhere.

So the third point about how do we move from blueprint to reality with respect to this Millennium Challenge Account that the president has proposed, which will, along with the HIV/AIDS initiative and the famine initiative and the other initiatives announced by this president, will take us ultimately from the $11.4 billion that we actually provided in official development assistance in 2001, according to the OECD Development Assistance Committee report released last week, to potentially $21.8 billion. So literally it could be a doubling of ODA if we were able to realize the president's proposals. And so much of this very much focused on Africa, including the Millennium Challenge Account.

Well, obviously, Congress has a huge say and a huge role in this, and properly so. Where we stand right now with Congress is that we have seen significant bipartisan support. On the appropriations side in the House of Representatives, the House passed funding $800 million in year one--not the $1.3 billion the president is requesting. Understandable in year one, you're going to have to ramp up, and so there's always going to be skepticism. They want to see results. It's the same thing that has pertained to the Global Fund for HIV/AIDS and tuberculosis and malaria as well. People want to see results and see how it runs.

On the Senate side, they've been more generous. They've passed now--a billion-dollar appropriation is their proposal for year one. So we have those two numbers already out there approved.

On the authorization of a new agency, a new stand-up Millennium Challenge Corporation, as it's called, that would report to the secretary of state, just as USAID reports to the secretary of state, the administrator does. There has been already the House of Representatives passing overwhelmingly this week the MCA bill that would authorize this independent corporation. The Senate is also now, in terms of the Senate Foreign Relations Committee has won bipartisan approval, has strong support from Chairman Lugar, from Senator Hagel, from Senator Biden and others, to pass its own version of an independent corporation, the Millennium Challenge Corporation.

It gets complicated in the sense that it is tied up with other foreign authorization legislation, and as a result, they're haggling over not the MCA, they're haggling over issues that are external to the Millennium Challenge Account. So it's difficult to predict at this point how we will extricate this and then how the Senate and the House will ultimately reconcile their two versions. But we remain cautiously optimistic that there will be authorization coming from the Congress here before the new fiscal year.

And that relates to what I'm doing specifically, the other element here, of trying to go from, again, what Lael Brainard and Steve Radelet and other authors of a splendid book called "The Other War," called moving from blueprint to reality. I'm currently directing an inter-agency working group that's working now full-time on trying to distill the best ideas for how to make this operational, for how to administer, for how to organize the Millennium Challenge Corporation so that we can send those ideas up to deputies and principals for decision, and also for, ultimately, the chief executive officer, somebody that would [inaudible] be confirmed by Congress, assuming, again, the authorization moves forward.

So that's how we're planning right now working on these things. I'll be happy to talk more to the extent I can about these things. But this seems very much complementary--not
only the president's vision, as Jendayi has laid out, but very much focused on the problems of the
African people. Thank you.

MR. MOSS: Okay, thank you. Salih.

MR. BOOKER: Thank you.

Well, let me try to be as diplomatic as possible. But I think it's important to point out that the president is not leading on Africa; rather, the president is misleading. He's misleading a nation and a continent, he's misleading the American public, and he's misleading the people of Africa. He's making very large promises, and many of those promises have already been broken.

The trip itself was largely, I think, aimed to show the soft side of U.S. policy at a time when many in the world are concerned about the hard edge of American foreign policy globally, particularly its military role in the world. But it was an opportunity to present the president as a compassionate conservative. It was aimed at moderate Republicans here in the United States, the evangelical Christians here in the United States, and of course aimed at America's European allies that are concerned if the United States may be neglecting the larger part of the world.

U.S. policy is actually on a collision course with Africa. American policies and interests are antithetical to those of Africa, and the U.S. actually, despite appearances, is hostile to Africa's interests and priorities. And at the core is this question of U.S. unilateralism and Washington's definitions of global priorities.

The United States says that the greatest threats to international security are terrorism, weapons of mass destruction, and nuclear proliferation. And the club of rich countries, the G7, concurred in Evian, France, about a month ago. But the G6--that's the G-6 billion, the other 6 billion people in the world not represented by the minority G7--have a different view. They feel that the greatest threats to international security are they HIV/AIDS pandemic, the greatest global threat in the world today and in human history. They believe it's poverty. And they believe it's civil conflicts. And they would like to see the kind of multilateral cooperation necessary to address what are in fact the greatest global threats to human security, the threats that are causing the most deaths in the world today, particularly in Africa.

The global majority is quite concerned with the attitudes of the global minority. And of course, the United States is the leadership of that global minority in exercising power internationally within a global system that is best described, perhaps, as global apartheid, as minority rule in an international political economy.

So let's look at the priorities of Africa and the Bush administration's trip and policy. The president promised, in his January speech, $15 billion over five years to fight HIV/AIDS in Africa and the Caribbean. Now, we all know that the president was a bit misleading about something else he said about Africa in the speech of the state of the union, with regard to uranium. But the more important misleading of the American public was this promise, this promise to Africa that the United States was finally prepared to begin to contribute what would be its equitable contribution toward this global pandemic. Not a matter of generosity, but the appropriate fair share for the richest country in human history--$3 billion a year to fight AIDS in Africa and the Caribbean.

The promise was broken the following week, when he sent his budget for 2004 to the U.S. Congress, where he only asked for less than half a billion of new money in that initiative. It also is not for Africa. It's a global initiative. And indeed, AIDS is a global pandemic, a global
problem, requires a global response, but it means that Africa's going to get far less, even if this money is ever appropriated.

He also made comments about how it's now possible to think about this initiative because the cost of anti-retro viral drugs has gone down. Why have those costs gone down? Because of the entrance of competition from generic producers of anti-retro virals. It's suggested that the president was prepared to say the U.S. will use its funds to purchase and distribute the cheapest available version of the essential medicines necessary to save millions of lives, especially in Africa.

Those promises have been broken. The Congress, the appropriations committees in the House and the Senate have been meeting over the past two days, as you all know. There have been efforts to get that appropriation up to $3 billion. Those efforts were opposed by the White House explicitly, and it looks like the White House will get its way. The consequences will be in African lives.

And we have to look at the math. The United States is spending a billion dollars a week in its occupation in Iraq. A billion dollars a week, four billion dollars a month. And yet the White House is not prepared to increase— not increase, to provide the full 3 billion that he's promised to fight AIDS in Africa. It's a broken promise.

If we look at poverty, the other major concern as a threat to national security. The Millennium Challenge Account was announced in March of 2002. With Bonno in tow, the president announced that the United States was going to increase its foreign aid by 50 percent over five years. Well, there was no new money in 2002, there was no money in 2003, and as we've just heard, in 2004 there might be maybe $800 million. And this is globally; this is not for Africa. So it's not significant. It's not equivalent to the scale of the problem, which indeed is a global problem and a great threat to international security.

I have to say that the White House is engaging in the kind of accounting that got, you know, a number of officials at Enron and Arthur Andersen into trouble— projecting these kinds of huge hypothetical figures into the distant years, the out years, the years beyond 2005, when the president's term ends.

And finally, we look at civil conflicts, an obvious and major threat to international security, and particularly in Africa. And we look most immediately to Liberia. Before the trip, the White House was under increasing pressure to contribute troops and lead a multinational force to intervene in Liberia, to provide security and stability so a political process could go forward to put that country on the path of reconstruction. The White House stalled. And they stalled throughout the trip, and they're still stalling.

This is exactly what the President George Bush did in 1990, when the current conflict, essentially, first began. American ships off Monrovia evacuate the Americans and the Europeans, leave the Liberians to their fate, which was a very violent fate.

This is what we're witnessing once again right now. An American commitment of sending troops to Liberia is actually the one action right now that would reveal whether or not this administration is serious about Africa, not a unilateral intervention, but a multilateral one as part of the force the West African countries are putting together. And I could go on about Congo, Sudan, et cetera, but I'm sure we will discuss it.

So to conclude, let me say American presidential trips are now an obligation, trips to Africa. Any sitting president must at least travel to Africa once during his or her term. And that's a good thing. That's a raising of the bar. Only three presidents in 227 years have gone. But it's also an indicator of how Africa is still at the bottom of the U.S. foreign policy agenda. It was
five countries in five days, it was an insufficient itinerary with inadequate policies. The president passed an opportunity to address the African Heads of State Summit at the African Union meeting in Moputu, Mozambique. It's as if the American president went to Brussels when the European Union heads of state were meeting and passed any opportunity to address them gathered collectively.

And finally, he's the first world leader, George Bush, to visit South Africa and not even request an audience with Nelson Mandela, to pay his respects and to benefit from the wisdom of Africa's perhaps most noble man.

So the United States and Africa indeed on a collision course. It's clear the White House is willing to deal with Africa only on its terms defined narrowly by its interests in oil, strategic military relations, and not in Africa's interests of its people--fighting AIDS, poverty, promoting peace, and resolving the debt crisis. Thank you.

MR. MOSS: Okay, thank you. Steve?

MR. RADELET: Thanks, and good afternoon.

I think it's pretty clear that this trip was important in many different ways in terms of U.S.-Africa policies and in moving ahead on an agenda to try to help out Africa, both on the security front, in particular the issues in Liberia and in East Africa and Sudan and also in Zimbabwe, but also on the economic front.

I think it's important to ask the first question of why it's important to the United States, why Africa is important to the United States at all. It's true that Africa supplies about 15 percent of U.S. oil imports, and that's significant. And it could rise to 20 percent, some say even 25 percent, within a few years. And that's important. Otherwise, it's actually hard to make a case that Africa is important from any economic perspective to the United States. Some people try to make that case, but it's actually very hard to make because trade shares are quite small and total income and GDP in Africa is quite small relative to the United States.

So why is it important? Well, I think there are several reasons why Africa's well-being is important to the United States. First, and quite obviously, are issues around our security and terror. There are several countries in Africa where al Qaeda cells are active, where there's terrorist activities. We've seen it in the bombings in Kenya and in Tanzania, and most recently again in Kenya a few months ago, in November. And there's no question that there is the potential for terrorist activity to build in some of the countries in Africa that either have no governance, such as Somalia, or have weak and fragile governance. So that's clearly number one.

Number two, as Salih mentioned, it's important for the United States to exercise soft power around the world if it's going to effectively project its hard power around the world. It's more than just the imagery. But if we are to take on the mantle of--which we have--of the world's great superpower, we need to use that power judiciously in both realms. And I think this trip was a way to project that the U.S. is in fact prepared to use its soft power, to lead the world on those kinds of issues.

Third, working with Africa and trying to help improve their prosperity is simply morally the right thing to do. And I think there are more and more people within the United States that grasp that and are willing to work hard on that. And so in that vein, the president's trip is building on the momentum that's built up over the last few years with people around the world who have concerns about the World Bank, the IMF, WTO, globalization and its impact, the great work that Bonno has done and others, and church groups here within the United States, NGO groups,
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debt relief, and the whole string of activities where there are more and more people who just believe this is the right thing to do.

Fourth, I think that it's important for the United States to help foster prosperity in Africa, basically because the world's prosperity is important to the United States if we are to pursue our vision of the world and to have a more open and secure world. The U.S. vision is for a world with greater prosperity and greater openness.

And the truth is that a lot of countries aren't making it, and they're not buying in to the vision. In fact, many people around the world don't see the United States as standing for liberty and standing for openness and standing for justice. They see the United States leading a world system that's slanted towards the rich and against the poor. They see them closing barriers to rich countries in terms of trade. And they see them, in many cases, saying one thing and doing the other. We're not getting the message across of the vision that most Americans actually do share for the world.

We need more countries around the world, rich and poor, to champion the values that we stand for. But in order to do that, these countries are going to need our help. President Bush, after the September 11th attacks, asked countries around the world to decide whether they were with us or with the terrorists. We as a country need to decide whether or not we're with the poor countries of the world or we're not. We're either with them or against them, if we expect them to make the same choices about us.

So I think it is very much firmly in the security and well-being interests of the United States to try to foster prosperity around the world, and Africa matters in that sense.

So against that background, the trip, I think, has the potential to push several key issues forward. And let me highlight five. Several of these have already been mentioned.

Obviously, number one is security. It's welcome to see the U.S. finally getting involved in the situation in Liberia. We've been absent in too many security issues since the debacle in Somalia years ago. The Clinton administration made a mistake when it backed away in Africa. It began to reverse it in the last few years, but it was too little too late. And it's a welcome sign that we're finally getting involved in a small way, at least, in some of these issues.

There are some where we could get more involved, like Zimbabwe, where I was surprised that the president didn't push President Mbeki more, because in my view President Mbeki's strategy in Zimbabwe isn't working very well--his soft touch. And whereas the president was fairly hard on Mugabe on before the trip, he wasn't as hard--at least from what I could see--during the trip.

But security is one issue, and it is moving slowly in the right direction.

HIV/AIDS is the second issue. The HIV/AIDS initiative is clearly very welcome. It's a radically new program, it's a dramatic change both in terms of the money, but also in terms of, which Jendayi mentioned, the comprehensive approach from care through prevention to treatment. But it is starting slow. The idea that we can only spend just less than $500 million this first year is wrong. If we can get an army up into Afghanistan and put a new government in place there in three months, I think we can ramp an HIV/AIDS program in Africa a little faster than we're moving right now in restricting it to $500 million a year. And if that really was the concern, we should allocate more money to the Global Health Fund, which is a couple of years ahead and is beginning to disburse money this year and is active in 92 countries around the world now as well. So, if we were interested in moving fast, we could do it.

So that's the second issue after security, and then HIV/AIDS. Third is the MCA. It's a great concept, but it's going really slowly. There just hasn't been much movement in the past
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almost year, really, in terms of moving this initiative forward. There's been a terrible missed opportunity with this trip to push for the authorizing legislation to go through before the trip and to introduce some pilot projects, for example, in Senegal. There could have been pilot projects six or eight months ago on the Millennium Challenge Account had there been a stronger push.

It's very welcome that Patrick is now heading this task force to get things moving and he's the right man for the job. But it has been very slow, and there's a perception that the MCA isn't now getting the support that it once had. Certainly that's been the perception on the side of Congress, and that's why they're talking about cutting the funding.

So that really needs a stronger push from the top to get the momentum back to get this program going. It's a great program, but it's only going to be reaching a limited number of African countries, at least to start with.

So that leads to the fourth issue, which is what do we do with the countries that don't qualify for these programs? And so far, at least from a foreign aid perspective, there really isn't a strategy, except to continue business as usual in the many countries in Africa that aren't going to qualify for the Millennium Challenge Account. And it's time now to really rethink our strategy and to expand on the concept of the Millennium Challenge Account to build foreign aid delivery mechanisms that can be effective in other circumstances in Africa where governments aren't quite as effective as in the Millennium Challenge Account, where there are tougher issues. Those call for tougher and more creative strategies, and so far those are not forthcoming. There is some talk within AID to begin to revamp how they think about these issues, and it needs some support from the top.

With respect to these other programs, what's really critical is that the president keep his promise to fully fund these existing programs while asking for new money for the new HIV/AIDS program and the Millennium Challenge Account. He asked for it in his budget. That's a great first step. But he's going to have to fight like crazy, much harder than they've been fighting so far, in the context of the budget battles that loom ahead to actually protect the funding for the existing programs to ensure that the new programs are not at least partially funded by cutting from the old. And so far, I haven't seen a lot of energy being expended to really protect those programs as was promised. So that's the fourth issue.

Fifth is trade. Jendayi mentioned the importance of trade and she mentioned the African Growth and Opportunity Act, which started under the Clinton administration and has been, rightly, embraced by the Bush administration and pushed forward. And the president said at the outset of his trip that he wanted to expand AGOA and its time frame beyond 2008. It's a great idea, should be done, and it's terrific.

But AGOA's only one part of the trade. Far, far more damaging is the U.S. Farm Bill that was signed last year by the president, which increased U.S. agricultural subsidies by an enormous amount and drove world prices down for many commodities, in particular cotton, and the effect that that had on the incomes of poor farmers around Africa was absolutely devastating. It really hurt badly and did much more damage than our aid programs will hope to do from an economic point of view.

The economics are bad enough, but when we do things like that farm bill, it really hurts our credibility. We talk the talk about free trade, but we don't walk the walk. We want countries to have economic opportunities where they can increase their prosperity. The two most likely areas where poor Africans can earn a decent living and get productivity increases and wage
increases over time are, number one, textiles, and number two, agriculture. And we protect our markets in both of those. And people don't like it. They know it, and they don't like it.

Last year, when I was still part of the administration and went with Secretary O'Neil to Africa, every place we [tape change] --strengthen the strategy for countries that are left out of these programs and think long and hard about our agricultural subsidies if we are really concerned about Africa's prosperity going forward.

Thank you very much.

MR. MOSS: Okay, thank you to all our panelists. Before we go to questions--there's plenty of time for questions, I'm happy to say--I'd like everyone to please raise your hand and identify yourself. And also, please ask a question rather than simply make statements. I will also use the chair's prerogative to ask the first question.

One of the images that really struck me was comparing President Clinton's trip to Africa in March of '98 to President Bush's trip, where Clinton was mobbed in a kind of rock concert atmosphere in Accra and President Bush's was a much calmer reception. And some of the things that were going through my mind was, well, this is Africa, the Cold War is over, there's a Republican administration. Africa is supposed to be off the radar screen, but now we're seeing all of this activity from the administration. What's going on there?

So with a couple of colleagues I actually went back and looked at some of the OEC data going back to the Kennedy administration to try and see if there was a difference between Republicans and Democrats, at least when it comes to American ODA flows to Africa. And to our surprise, and I think to a lot of people's surprise, we actually found that there is no statistical difference between Republicans and Democrats when it comes to aid flows to the continent. There are some differences when you have mixes of a president of one party and the Congress controlled by the other. But in general, there's very few differences between the parties.

And it struck me that in light of all this obvious skepticism from many proponents of African aid to the administration's initiatives, that there was a very important moment here for the administration to establish its credibility by following through on some of these things, maybe try and turn around some of these knee-jerk reactions. I'll just quick plug that those results will be released in a working paper next week by the Center. It will be on our website.

But my question, really, is that if the funding is an issue--everyone talks about, you know, show us the money, if you're talking big numbers, let's see the big numbers. The funding's really just the first step. And a lot of that, as our paper shows, and we all know, sits with Congress. But after Congress appropriates the money, the ball is back in the administration's court to implement these programs. And these are very ambitious programs in very difficult environments. And even the Global Fund, which is getting a lot of good press lately, is still disbursing quite slowly.

Has the administration--do you have a plan for rapid implementation of some of these initiatives once the funding gets under way?

Now, before anyone answers that, I think we should take questions in bunches. It's a bit more efficient that way. Then we can let the panelists respond as appropriate.

Okay, in the front here.

QUESTION: Thank you. And thank you to the Center for Global Development for convening this timely session. My name is Emira Woods. I'm with the Institute for Policy Studies.

The question I have is on the issue of debt, an issue that did not show up very much on the Bush agenda throughout the five days, an issue that is clearly of significance to all of the
countries and the other countries, the 54 throughout the continent. My question is specific to Liberia, but it does apply to other countries as well.

With regard to Iraq, we had the U.S. secretary of treasury speaking out clearly, saying that the odious debt of Iraq, the debt incurred by Saddam Hussein, should not be repaid by the people of Iraq. My question to your guests today is with the debt of Charles Taylor in Liberia, of Mobutu in the Congo, of numerous countries throughout the continent, the debt that is illegitimate, the debt that is odious, can we not make the same reference to Africa? Why has the administration not made that connection? And to what extent can colleagues like Steve Radelet and others, who do such great work on debt analysis, also look at the issues of odious debt when it comes to Liberia and the other countries of Africa? Thank you.

MR. MOSS: Okay, thank you. Here in front.

QUESTION: Thank you. Charles Roth from Dow Jones.

One of the five points mentioned by Mr. Radelet was what to do with countries that are outside the MCA. And it seems obvious that if they lie outside the MCA, that either macro-policies or corruption or incompetence is restraining those countries from advancing. So one of the issues that could help perhaps stimulate better policies is NEPAD, although Mr. Radelet did say that President Bush diminished a bit his emphasis on pressuring countries to pressure Mugabe in Zimbabwe. So can--I mean, is there a way to reconcile not wasting aid, if you will, on incompetent or corrupt governments or countries apart from, obviously, disaster relief, and making NEPAD a more viable mechanism to basically promote policies that work? Thank you.

MR. MOSS: Okay. Why don't we take one more. The gentleman on the right.

QUESTION: I'm Mark Engman from Christian Children's Fund. This is primarily directed at Dr. Frazer, although any of the panelists can comment.

You mentioned Uganda as, really, a key country in East Africa. There's a conflict in northern Uganda that has displaced 800,000 people. Thousands of kids have been kidnapped. And it really threatens the security of the entire region. And I just was hoping that you could maybe shed some light on the U.S. government's efforts to help the Museveni government start to look at resolving that conflict.

MR. MOSS: Okay, why don't we turn to the panelists.

MS. FRAZER: Sure, I'll begin. I'll start with your questions. You know, sometimes you don't see a lot that goes behind the scenes in, one, developing a policy, and secondly, in implementation. You asked a question about the reception--the difference between President Bush and President Clinton. And I know that the press made a lot of that. Some of you are in the press--you have to find a story. But you didn't find the right story.

The right story was that, frankly, we had 9/11 and the Secret Service actually asked the governments to try to not have a lot of people lining the streets. It was a very simple, pragmatic reason for that level of people being out and lining the streets and mugging the president. We're in a different environment entirely now. And so, you know, that was the answer to the question. But people look for reasons.

At the president addressing AU, it's a similar type of thing. The president is interested in having working relationships with African heads of state. He's not interested in getting behind a microphone in a high profile and, you know, making a lot of rhetoric. He did not want to step on the AU. You know, the American president there would have been all about President Bush at the AU. Those leaders had serious work to do, in this AU. A lot of that work was setting up the structure, setting up the establishment, setting up the commissions. So I would
suggest that you actually go and look at their agenda and look at the type of work that they were doing. And there was no reason for the president to sort of just parachute into that agenda, into their itinerary.

So, that on sort of the reception and what he chose to do.

On ODA levels and the lack of a difference between administrations. I'm sure that that is quite fair enough, but I think what you will note is that development assistance went down significantly, down into the lowest levels, under, frankly, the last administration, down as far as $688 million in '97. And it's only in this Republican administration--in Bush I, the levels were about $800 or $900 million, they went down to $600-some million under Clinton, and then they've gone up again. So forget about the initiatives. When people say show me the money, I say forget the initiatives; look at the budget now. It's only been going up. In fact, if you put our official development assistance with the food aid, AFTA and what we call the OTI, the levels that are going to Africa is $2.5 billion in '03. $2.5 billion. It's never been more. And that's without an HIV/AIDS emergency plan, and that is without a Millennium Challenge Account.

So we don't--I mean, the president is going to deliver on his initiatives. There's no doubt about that. But he's already delivered. The assistance levels to Africa are higher than they have ever been for our country. So, yes, the ODA levels, you know, depending on whether it's a Republican House or Congress or a Democratic Congress, but the fact of the matter is we've already demonstrated. And this is what this administration had said. Even before 9/11 and needing to show the softer side of a strong power, you know, the harder edge of American power, we had a commitment to Africa from the outset. And that is reflected in the assistance if we don't fund a single initiative.

But most importantly, what you'll find with this president--and this is where the Hill does matter. The Hill has the power of the purse. The president absolutely has to convince the Hill to fund his initiatives, to fund his budget as a whole. And you will notice in many speech after speech after speech, the president has put what we call our hand on the Hill and pressured them to fund his initiatives at the fullest amounts that he's requested. So that is a demonstration of political will.

Any president can throw up an initiative and let the Hill kill it. But this president in East Room, on his trip, throughout his speeches in Africa, when he was in Uganda, when he was in Nigeria, when he was in South Africa, he said I want the Hill to fund my initiatives. We do have people going up to the Hill, on the phone--just Thursday, Tuesday, Wednesday, I think it was just Wednesday or Thursday, two days ago, the president met with congressional leadership on his Africa trip, debriefed them like I'm doing you right now, and pushed them to fund his initiatives. Senator Lugar, Senator Frist, Congressman Colby, and others. So this president is engaged and active. And even if we don't fund the initiatives--which we are going to--he would have already demonstrated, or delivered on his promise.

On the issue of the rapid ramp-up, I thank you for that. In fact, again, because we don't seek the limelight, and we've always said judge us on our record not on our rhetoric, in fact we are going to work with Senegal to try to set up a program to prepare it so that if it should be selected as a Millennium Challenge Account, that money can be used and disbursed very quickly.

So we have some of that. And there's this false notion that I heard at least twice on this panel today that somehow, if we're concerned about implementation of the emergency plan, we can just put the money in the Global Fund and everything is all right because it's two years ahead of us. The fact of the matter is the Global Fund at this point, which we're the major contributor of as well as the president of the board, or the chairman of the board, the Global Fund
has disbursed to date $65 million. We do that already on our bilateral program on HIV/AIDS. We have already this year matched and exceeded what the Global Fund will do over the last two years. They've only disbursed $65 million at this point. We are fully backing the Global Fund. We in fact feel a lot of ownership for the Fund since, as I said, the president was the first one to make a pledge to it. But we have already, in terms of rapid ramp-up, our programs, our bilateral HIV/AIDS programs are already operating in-country. We will use that infrastructure, as well as broader, to distribute money under the emergency plan for AIDS initiative.

On the question of--I think that's the questions that you have. On the questions of debt, you know, Steve here is really the inside administration person on debt issues. He knows that he and I worked on this quite extensively while we were in administration. Our program, as he taught me quite clearly, is the heavily indebted poor countries initiative. That is our approach towards debt. And as countries put their policies in place, they will get brought into that initiative. But I would direct your question to Steve.

In addition, I have a follow-up question, which is to ask you what is exactly Taylor's debt burden? We just--the president just defended in his budget a reduction money for the Congo. You know, and, I mean, the Congress has the power of the purse. They didn't fund it at the level that the president asked for, despite our phone calls. But we think it's enough to work with. And so we are trying to address the issue of debt, but primarily through the HIPC program. And I, for one, don't know what Liberia's debt burden is, but I'm certainly willing to look at it.

On northern Uganda, you're absolutely right. And again, in a category of don't assume that what one says in front of a mike is the only thing that one does--and I say that to my colleague here on Zimbabwe. On northern Uganda, the president and President Museveni had extensive discussion in their bilateral meeting when we were in Uganda. The sort of public event was a TASO clinic and the focus on HIV/AIDS, to show that the model, that this pandemic can be addressed. But in the private meeting, quite a lot of that discussion was on the issue of conflict. And particularly, as you know, this is a key for President Museveni.

What are we trying to do about the LRA in northern Uganda? First and foremost, we have to put pressure on Sudan to try to stop allowing LRA to operate from their territory. Secondly, AID in particular is trying to work towards some form of peace-building in northern Uganda. We don't want to simply focus on a military approach to addressing LRA. Third, there is the military approach. And part of that is providing better surveillance equipment to the government of Uganda so that they can track the movement of the LRA. But this is not--a military solution is not going to be sufficient. I think that President Museveni is seeing this himself. And so we're trying to develop a more comprehensive approach.

This was an issue of discussion with him when he was here in Washington and again when we were there in Entebbe. So we are not ignoring it. We see it as a critical part of, really, the reconstruction agenda that he's had since the time of the Obote regime.

MR. CRONIN: On the last point on Uganda, in fact the United States Agency for International Development has been involved for some time up in northern Uganda. I've personally visited some of the child soldiers just as they've been returned to the country, rehabilitating them, providing counseling, meeting a child who wanted to commit suicide because he had become blind and because of what he realized he had done--had killed relatives. He had been kidnapped into the Lord's Resistance Army, he had been on drugs. I mean, to see him back and rehabilitated and wanting to live is something that I think every American taxpayer can be
very happy that we've helped fund in partnership with NGOs on the ground up on northern Uganda.

That's a very small part of what Jendayi is talking about, a much larger political process of peace-building, of providing basic service, community-building, to help provide an infrastructure for the peace that we hope will eventually be well-grounded there.

On a couple of the main points that, again, I think Jendayi's done a great job at addressing here, the reality is that we are providing more assistance to Africa than we have for a long time. And I know my boss, Andrew Natsios, has been committed to this from day one. As somebody who is responsible for the budget within AID, I can tell you that, in contrast to what I've heard from Salih Booker, we are spending more in Africa. We came in spending about $750 million of our development assistance monies in particular to Africa, and we're spending now more than a billion dollars in fiscal 2003, this year. And that's before you get to the other accounts that Jendayi Frazer mentioned.

And that's happening in the context of a growing official development assistance account level overall. You don't go from zero to 60 overnight. This has to ramp up. And you also don't in this town, everybody knows, get everything you ask for. And that's not a failure of leadership. The leadership is there from the president. He is doing this, and he's doing it modestly and quietly. And maybe that's a criticism, but I'm sorry, he is doing more for Africa--and he's got officials like Jendayi Frazer committed to this to make it happen, to implement it. Not with great fanfare, perhaps, but actually get things done.

And that's why there is a lot going on on the ground. I mean, Steve is a good friend and brilliant; he says we're not going fast enough. We have been busy there, but--Polly Byers, there are a host of officials at USAID, the career people of the U.S. Agency for International Development have been working with me over the past year, working with the inter-agency to design not just the Millennium Challenge Account ideas, including recalibrating them, how do we pick up the countries that narrowly miss the Millennium Challenge Account? Because not everybody who misses the MCA is a corrupt country. Corruption, of course, is endemic around the world and it varies in terms of the quality of openness around the world. So there's always--there are shades of gray.

There are going to be a lot of countries, as Steve Radelet's studies have shown, that are going to miss by a single indicator. So we now need to think about recalibrating our development assistance resources to focus on those countries, to help them become more competitive, so that they can have a chance to be a recipient of a Millennium Challenge Account grant which will, hopefully, promote the kind of economic growth that will drive them out of poverty in the longer run. And that's what we are focused on.

We haven't talked about this a great deal in part because we're waiting for authorization. We're waiting for this to become legal, essentially. We're waiting for the funding to be forthcoming. And even if it's $800 million or a billion dollars in year one, that's real money. Those are real tax dollars that are going to be additional to the other increases and the other assistance we are providing that we've already added in this administration.

Whether it's on education in Africa, which has gone up, whether it's on food and famine prevention in agriculture, whether it's on the trade hubs for AGOA in Africa, the HIV/AIDS that we've increased in Africa, the Millennium Challenge Account now coming on top of that, there's quite a record there of achievement. Have we accomplished everything overnight? No. The Global Fund, has it accomplished everything overnight? No. These things do take time and development takes time. I think this audience knows this better than most.
But we're working at it, and we need bipartisan international cooperation to make this happen. And we're committed to trying to do that because that's the only way we're going to get these resources. There wasn't a natural consensus in the body politic to do the kinds of things Salih Booker said. Even though we may be very sympathetic to those views, it doesn't happen. We don't have the political consensus across America and in the Congress to make those things happen. But we are quietly working to develop effective plans of implementation.

That's been one of the aspects of the HIV/AIDS plan. First on the mother-to-child transmission plan, focusing on 12 countries in Africa where there's such a high prevalence rate. We have worked systematically to recalibrate how we're going to deliver this.

There's a brilliant article and study that's been done, and it was written about in this issue of the Harvard Business Review. I really encourage you to look at it. And it was written about in this week's Economist as well. And it has surveyed 160 companies and what are the key aspects of successful companies over time. And it talks about four areas; it's very simple.

Flawless execution. So for a development agency, it's how well do you deliver the assistance you're going to deliver? It's a demanding culture, a culture that demands excellence within itself. It's a flexible structure. And it's a focused strategy.

My friends, I love USAID. But it has none of those attributes. And it's not because there aren't brilliant people in it. It's not because there are not committed people in it. But we are--as a government over four decades, that is not how it has evolved. And that's why we need to start afresh with things like the Global Fund, with things like the HIV/AIDS emergency plan, with things like the Millennium Challenge Account, in tandem with reforming the existing government.

And that's one reason why I'm heading up this working group on the Millennium Challenge Account, is to make sure we're tapping into our expertise, because we've got committed, brilliant people who know a lot, both in the government and partners outside. But we need to help them come up with the structure that will also deliver this more effectively--greater participation from the countries themselves, from the people in the country. An inclusive process coordinated in line with PRSPs, the Poverty Reduction Strategy Papers; in line with what other donors are doing in the country; in line with what the demands are from on the ground in the country--more than we are doing now. And we can do that. But it's going to take time. And it won't happen all this next year. Thank you.

MR. BOOKER: I think part of the problem must be the very low expectations we have traditionally with regard to U.S. policy toward Africa. So it seems possible, given low expectations, to think that an increase from $650 million to a billion dollars in development assistance to a continent of 54 countries, 800 million people, four times the size of the United States somehow might seem significant. But when you consider that we provide an annual subsidy of $3 billion to the small country of Israel every year without any particular debate--or the only debate might be might there be more through other types of programs--then we have a real focus of what is the problem.

Is it that we value African lives less? Is it we're only interested in economic interests or oil interests or things like that? Is not Africa an important part of the world, and her people an extremely important resource in part of the world? And after all, isn't this country, the United States, a country of African descent? Aren't one out of every eight Americans direct descendants of the millions of Africans enslaved and brought over here to create the economic foundation of this country without compensation? So there's something larger at work that we should be discussing when we discuss Africa policy.
But on the issue of disbursing funds rapidly, I mean, we have to be clear. The United States is undermining the Global Fund to fight AIDS, tuberculosis, and malaria. It just had a meeting, the Fund Summit in Paris, and it's going to go bankrupt this year unless there are significant other contributions to the Fund. And it's not enough to say, well, you know, the United States is the single largest donor to the Fund. That's like saying, You see this bottle of water? We've contributed more than half of that water, and we're going to put out the forest fire with this.

It's inadequate. Either we recognize that AIDS is the greatest global threat to the world, to human security, and we provide the resources and the strategies adequate to defeat it because it can be defeated, or we have to really ask ourselves why. I mean, is it as Peter Piot, the head of UNAIDS said, basically--and I quote--this was from what he said before the 13th International Conference on AIDS, which was: If this was happening to white people, the reaction from Western countries would be different.

Is it because Africa is the epicenter of the AIDS pandemic? It's only 10 percent of the world's population, with 75 percent of the people who are HIV-positive and living with AIDS. The region with the second-highest prevalence rates is the Caribbean. The region with the third-highest prevalence rates is here in the United States, where more than 50 percent of all new HIV infections are among African Americans. Right here in D.C., the place in the United States with the absolute highest rate of HIV infections and AIDS. So that's a major determinant of policy affecting the pace and the slow pace of this.

On debt cancellation, I mean, I want to underline the point. Odious debt, illegitimate debt is strangling Africa. Africa's resources are hemorrhaging. Africa spends $15 billion a year paying off old illegitimate and odious debts. That's principal and interest, $15 billion a year. That's more money than African governments spend on the health care for their own populations. It's more money than African governments spend on education for their own populations. And it's more money than is coming into the continent in the form of new official development assistance or loans or foreign direct investment. That would seem to be an appropriate place to start, to allow Africans to have the resources they need to address some of these.

But it also points to the structural problem. And that is, the debt of important for this system of global apartheid. It's what holds governments in Africa more accountable to the World Bank and the IMF and rich-country creditors than they are accountable to their own people. And the MCA actually furthers this line of thinking. In other words, the initiative says if you behave, we'll give you a little more money. And we're going to define what good behavior is. It's certain economic policies, certain governance, and most of all, perhaps, if you support the foreign policy objectives of the United States around the world.

Now, what NEPAD says--which is the New Partnership for African Development coming from some of the African leadership, but certainly not from Africa--is the reverse side of that coin, which is, NEPAD is saying we'll behave if you give us a little more money, a little more debt cancellation, et cetera. It's a grant proposal from Africa to the G7, and it was largely rejected last year at the Kananaskis summit.

MR. MOSS: Okay. Steve?

MR. RADELET: Three quick points. One on the Global Fund HIV/AIDS thing. I was actually in Geneva last week visiting the Global Fund, and one of the things they said was don't let people say it's bankrupt because it's not.

So I agree with your basic point--

MR. BOOKER: Not yet.
MR. RADELET: --but they have funding. Right. But it's not going to be bankrupt by the end of this year. Who wants to fund a bankrupt program? They actually having funding for the next couple of years, but they need to make commitments long in advance. And the trick with funding the Global Fund and HIV/AIDS treatment in particular is, once you're locked in to funding treatment, you're locked in for the long haul. Because you can't start giving people ARVs and then three years later we run out of money and say sorry. The health consequences would be quite dire. So while they're not bankrupt this year, they do need some longer-term commitments.

The point I was trying to make about diverting more--or allocating more of the money towards the Global Fund is the following: The administration's budget for the coming year for AIDS is about $2 billion. About $1 billion is for existing programs, a couple hundred million for the Global Fund, 350 million for the mother-to-child transmission program, and about $450 million, really, for the new initiative. And when lots of people have said why not more, let's push faster, the response that we hear from people in the administration is we can't spend the money faster, we can't ramp it up that fast.

So I hope the answer we heard from you, Jendayi, that we can ramp it up faster is right, and if so, let's get more than $450 million in the budget. If it is true that we can't spend more than $450--increase to $450 million in the next year, then let's give the money to the Global Fund. True, they've only expended $65 million so far. It was zero a couple of months ago. They're planning--by the end of the year their expenditures should be about $500 million, and early next year it should be a billion. So they are on a very fast ramp-up, and they now have the systems in place to go quickly.

I don't have a strong feeling whether AIDS money should go through the Global Fund or bilateral. But if the bilateral programs are constrained, which is what we're hearing, there is this other option. So there is no reason why we can't spend more than $2 billion for fighting HIV/AIDS in the next year's budget.

On debt, it's an absolutely correct issue and important issue, and Jendayi's right that I was involved in this while I was at Treasury and had to take the Treasury line even in inter-agency debates. And HIPC is the program. But HIPC's not enough. I think we're going to try to--we're finding here, and will find even more in the next year, that countries that go through the HIPC process still have debt burdens that are too large for them. And I think there's going to be another round, unfortunately, where people go back and say it wasn't enough, it didn't work, and we're going to have to rethink the strategies.

The trick going forward is that for debt relief in a major way in Africa, it's now going to be multilateral debt--primarily the World Bank and the Africa Bank--rather than bilateral debt. The United States has--is wiping off 100 percent of the debt owed to it by countries that go through the HIPC process, and it's already done that for several. Mozambique was the first. So we can't do more on the bilateral. The onus focus is on multilateral. It's not impossible, but it's a little bit trickier because we've got to work in a multilateral context and figure out--gets into big issues about funding for the World Bank. But my own view is that deeper debt relief is going to be necessary.

But it comes at a cost. To the extent we are operating in a fixed envelope of resources, even if that envelope gets a little bigger, you have to make your choices. And to the extent more money is expended for debt relief, because it does cost money, there's a tradeoff in terms of using that money for new programs going forward. And exactly which is the most effective way to spend your next dollar is not clear.
Outside of HIPC there are a few countries where we need a better strategy. In terms of an odious debt, Nigeria is the better case than Liberia. And there really isn't a strategy going forward. Nigeria has huge debts, most of them bilateral and most of them odious, incurred by folks like Sonny Ibache [ph] and other luminaries that preceded President Obasanjo. And we need a strategy going forward. There was a strategy at the end of the Clinton administration. It required the Nigerians to take some steps and to stay on an IMF program. They failed to do that, and so that unfortunately fell off the rails. But there are things beyond HIPC that I think need to be given stronger consideration than they were.

On your question about outside of the MCA. It's a terrific question. How do we approach the countries that don't qualify? We can't just say more money, which is what I said -- as simply. But you've got to think of different delivery mechanisms. The MCA is important not just for the money, but because it's going to deliver aid in a very different way, taking country ownership very seriously. It's going to be performance based, monitoring and evaluation, allocate money towards things that work and away from things that don't work.

We need new approaches in other countries. For countries that just miss qualifying, a little less money than the MCA, give them some flexibility with how to use it, but not as much. And get the governments involved. As you go to weaker and weaker governments that are more corrupt, if you can't work with the governments, work around them. Work with the NGOs on a more focused set of programs, perhaps just on education or health or whatever it might be. But a focused set of issues operating through NGOs when you can't trust the government. And in each case, we have to be hard-headed and generous at the same time. We've got to expect results however those are measured, but when we do get results, we should fund things generously.

So it's an issue of thinking about different approaches under different circumstances and how we deliver the aid. That's the next step forward. It's tougher outside the MCA, but that's the agenda.

MR. MOSS: Do you want to just add?

MS. FRAZER: Yeah, I just want to add very briefly some points. On the Global Fund, the issue with the Global Fund is not simply about the speed of disbursement or implementation. It's also about the level of the U.S. contribution. Salih suggested we're trying to kill the Global Fund--the United States has pledged $1.65 billion. The next closest contributor, or pledger, is the European Commission as a whole, which is at $300 million. What President Bush said at the G8--there's been a lot of discussion about the G8--is other countries need to put money in that Global Fund. And we're really trying to pressure and push particularly the European donors to also contribute, because we in fact want the Global Fund to be viable. But we don't want it--and in fact, Richard Feachem, the executive director of the Global Fund, doesn't want the United States to be the only funder or the primary funder or somehow take it over. It's intended as a multilateral form.

And I just wanted to say, also at that G8 meeting the president--Steve, you rightly brought up the issue of agricultural subsidies and the Farm Bill. And what's important to say about the Farm Bill is that it did not impose any new restrictions on access to the U.S. market for African agricultural products--not at all--for Africa agricultural exports. The Farm Bill had nothing to do with that.

But the issue of subsidies is extremely important. And just as Secretary O'Neil, when he heard about this issue, the president heard about it on his trip to Africa as well. And what he said to the African leaders and what he has said to the Europeans is let's eliminate all ag subsidies. That's our proposal at the WTO. And we will do it when we get the Europeans to come
along with us. And so it's extremely important for the Europeans, which have many more agricultural subsidies than do the United States, to also eliminate it. We'll get rid of it globally.

And so that's the proposal. We're owning up to the issue. It is a problem. It's a major problem for Africans, and we want to take positive steps. And I'm pretty sure that those African leaders are going to join us at the WTO to push the Europeans also to get rid of the ag subsidies.

And finally, let me just say--and I must say this, given what Salih has said about some system of global apartheid, et cetera, et cetera. It's extremely important. You will note that our Africa policy is about dealing with Africa on its own terms. We are not trying to impose some sense of a domestic racial politics on our Africa policy. Our Africa policy is about addressing the challenges that are there in Africa in partnership with African people and African countries.

And so we hear them when they have challenges like the subsidies. We're not talking about some global apartheid system and, you know, racism, et cetera. What would be very helpful for all of you, as a person who's on the inside fighting for our Africa policy, with a president who's leading on our Africa policy, what would be helpful is to take the mike and go to middle America and do what Steve did at the outset of this conversation. State concretely what our interests are in Africa. You state concretely what our interests are in Africa, and then you will get the Congress, which has the power of the purse, to increasingly fund our assistance to Africa and to build our trade partnership with Africa.

That's really what the president was going to Africa to say. He went to Africa to say to the American people there's tremendous potential, there are excellent partners, why not engage, let's work together with Africans. It's not some racial politics of America. That was not the purpose of this trip, and it never will be as long as this administration is in office.

MR. MOSS: Let's go back to the floor. The woman there?

QUESTION: Thank you. Janet Fleischman with Human Rights Watch.

I'm struck, both on this panel and in the one that Walter Kansteiner spoke at at Brookings before the trip, by the lack of discussion about human rights in Africa--in fact, not a mention. And I wonder if you could talk a little bit--this is particularly for Jendayi, but for all of you, because in fact none of you discussed it. When we're thinking about what are our interests in Africa, how do we work with Africans, what are the problems, what are the root causes of these conflicts, the exploitation of resources, the extraordinary range of problems that are confronting the continent, a lot of that is linked to the failure to respect basic human rights of the African populations, often by their own leaders.

And yet there was no discussion of that. And how the U.S. can, in a substantive way, be a leader on that score and to speak in a way that will resonate with Africans who are themselves working so hard to create a movement to protect human rights in their own countries, and who are on the front lines of some very dangerous conflicts to do that.

And some have said that the administration doesn't use that sort of rhetoric because they use other words to describe the same things. But then if you look at Zimbabwe, the language has been quite explicit in terms of human rights issues. And I wonder if you can explain why that isn't used more broadly in Africa, why it hasn't been discussed on this panel, and what you see as the administration's program to really be looking at these core issues of how the human rights abuses on the continent are in fact fueling so many of these problems that we've been discussing.

MS. FRAZER: Yeah, I'll answer very briefly. And I will be brief, because I've taken a lot of my time.
On human rights, it was discussed on the trip. That was unfortunately not reported sufficiently. But when the president went with the West African democracies, a big component of that was the issue of human rights. And it is quite interesting, because the invitation that went out, it said "to leaders who are moving towards good governance and human rights." So that was a component of the discussion there, and the talk about the need ultimately to solve the conflicts in Africa through good governance, through heads of state that recognize and respect term limits, that have the rule of law in place.

It was also discussed, frankly, in the bilateral discussions of all of the heads of state but in particular in Southern Africa, as you pointed out, with Zimbabwe, and the issue of Zimbabwe. We didn't go soft on Zimbabwe in South Africa. We just recognized that it's going to be the regional leaders particularly that are going to have to address the crisis because it's particularly affecting them.

But human rights is a key concern of the administration. You talked about different language. The language that we're often talking about is freedom and political rights, political freedom. You know, and embedded in political freedom is this notion of ruling justly, rule of law, and respect for human rights.

You know, the president talks about it all the time when talks about the importance of human dignity. You can't have human dignity if your rights are being constantly abused. We work quietly to try to end these conflicts, which are--well, it's bad governance and it's war environments that really undermine human rights, I think, in Africa, as well as the judiciary, the rule of law issues.

So we do have an approach to it. You may not hear us talking about it as much, but it is embedded in all that we're trying to do.

MR. MOSS: Let's go all the way at the back, please.

QUESTION: Ray Almeda, Bread For the World.

I'd like to thank you all for coming and responses to the thing that we're doing here today. This has been a wonderful think-tankesque, philosophical, theoretical discussion. We got a good sense of what some of the long-term outcomes and thinking of the administration and the aspirations of so many of us are for all of these programs. But I'd like to go full circle and come back to just a political-campaign kind of question before we walk out of here today.

Over the next four days, the baking that's going on on the Hill now by all kinds of unelected senior staffers, who have a range of feelings and commitments about all of these things, there's something that we're beginning to see. The NGO coalition that's been actively working in support of MCA and funding for HIV/AIDS, over the last week has begun to see this incredible juxtaposition of the forces of the MCA and the forces of the HIV/AIDS. And we're seeing significant players, such as Kilpatrick--appropriator, such as Jesse Jackson, Jr.--appropriator, such as Lee, that are basically all for the concept of pulling money out of the MCA to fund the HIV because there's a level of confidence that most of the money that goes into the AIDS/HIV will directly benefit Africa, and there's still this de-mystification that has to happen about what the MCA is. It's untried. There are all kinds of people who don't believe it, that it's some kind of Bush trick. Et cetera, et cetera.

It seems to me that the time has come, over the next three or four days, that something has to happen differently than what's been happening up until now. Dr. Frazer, can you tell us what the administration plans to do differently than what they've done, over the next four days, to break through this scenario right now so that we can just get beyond this place?
MS. FRAZER: I won't dodge your question, but I think that you have a better expert here. One of the things that we've done is appoint Patrick Cronin to really head up this effort to try to get us mobilized and the inter-agency, in a coherent fashion, to go to the Hill. So I pass it to Patrick, really, to answer.

MR. CRONIN: Thank you, Jendayi. [Laughter.]

I've been running this working group for all of a week, but I've actually been involved in all the discussions on the Millennium Challenge Account from the beginning, working very hard with a lot of the leaders at the White House, the NSC, OMB, at Treasury, State, through USAID and other parts of the government. And the time has come to now move from this rhetoric to reality on the Millennium Challenge Account. I sense a tide of growing support. We're not going to ignore the HIV/AIDS. I agree with Salih Booker, this is a threat right there in front of all of us in the world and we've got to do more. We've got a road map; we've got to push ahead there.

Now the Millennium Challenge Account, as a complement to that, can also help on the general side of economic growth, on top of that. And here we are about to begin, and we need to have leadership as we have seen recently from Senator Biden and Senator Feinstein, if you talk about the Democratic side; from Senator Lugar, from Chairman Colby, from others. There is a groundswell of support. I'd like to see continued support that we've seen from, certainly, Bread For the World, but from other NGOs, from the business sector, from potential developing countries, from other donors, talk about this is a good model to work.

It's not really all new and all untried. What's new is a commitment to excellence, essentially, and excellence in terms of the selectivity process—not, as Salih Booker said, decided for nefarious foreign policy reasons, but in fact more objectively derived than any assistance in the world to date, is what we're really striving for. But the reality is you can't take the human element out. You certainly don't want to remove trend analysis, you don't want to, certainly, ignore recent events in a country that may not be captured in objective data. And these were not data, by the way, that go to things like human rights that are American standards alone. We're talking about universal standards captured by indices that have been looked at by the best experts at the World Bank Institute, by Freedom House and by others.

So we really have a tremendous opportunity here in the coming days to come together on this in a bipartisan fashion and then, as Jendayi said, to go and take it to the American people and explain why we're doing this. Because those needs, the needs that Salih Booker is talking about, are real. We feel those needs. He's right. I mean, those are the needs. And we need to do more and we need to do it better.

And this is a plan for trying to do that. And we need the authorization and we need the money and the resources, and then we need to work together at providing effective delivery where, again, more people in the developing world are put in the middle of this process and able to benefit from it. And we spend most of our time, frankly, making sure that we're getting the results that they're hoping to achieve on the ground, something that they've designed and that they're trying to deliver.

In fact, I have to rush back because I have a 4:30 deadline to tell the White House exactly how much we've achieved this week. And you've only reminded me of the urgency of this task, so I'm very glad I was with you. I'm sorry I have to leave a few minutes early. But thank you.

MR. MOSS: That's fine. Could we take a question on the right here.
QUESTION: Thank you. My name is Vivian Lowery Derryck, and I'm with the Academy for Educational Development. I have a comment and then a question. First of all, the comment. Jendayi and Patrick, you're to be commended for raising the level of development assistance for Africa to over a billion, but it was at $843 million and $850 million the last two years of the Clinton administration. So it's not as bad as that. And while $150 million makes a difference, there were major efforts during that administration to raise that money. But the fact is that the Congress had other priorities and things that it wanted to direct that money to.

My question is about Liberia. We assume, and you've just said, that the president needs to get support behind actions and activities in Africa. And there's no better one than Liberia. I guess my question is, we know that it's in our national interest to go into Liberia for the oil that someone mentioned earlier, but also for the fact that we have tragically failed states in West Africa. And clearly, that is not in our national interest. So I'm wondering why that point is not made in any discussions, public discussions about Liberia. Of course, there's also the fact that it's going to help us mend fences with the Union and with France and some of our allies as well. And the fact that this only takes a thousand or two thousand troops, as opposed to the 148 [thousand] that are in Iraq. And that it's doable. You know, the high likelihood of success. So I'm wondering why the president doesn't make that case forcefully to the American public so that there's a groundswell of support for Liberia. Thank you.

MS. FRAZER: Yes. Thank you. That's fair enough about the assistance that you so ably pushed up in the last couple of years of the Clinton administration. You're absolutely right, and we, you know, had a lot to work from given the work that you did.

On Liberia, we have made the case. But remember, we're five days back from Africa. The president--or before we went to Africa, President Bush as well as Dr. Rice, the national security advisor, outlined what our interests were in Liberia. Now, that may not have gotten the type of visibility that it should have, but we clearly--I don't know about any oil. I don't think we have any oil interests in Liberia. But our approach, as I said at the outset, on conflict resolution is to look at each sub-region and, clearly, the Mano River states. And as I said, Sierra Leone, the problems in Sierra Leone stem from Liberia. So we look at the issue of Liberia absolutely in terms of stabilizing that sub-region and stabilizing the most crisis areas, which is Guinea, Liberia, and Sierra Leone, spreading, frankly, into Cote d'Ivoire.

And so our economic interests, our interest in human dignity, our interest in regional stability all depend on what we do now on Liberia. We did not--the president's attention to Liberia wasn't as a result of any pressure from anyone. The president at the Corporate Council on Africa speech came out and said it's time for Charles Taylor to go so that stability can come back to Liberia. So no one pressured us to put this as a high priority of this administration.

The president has stated, while he was in Africa and since he's been back, that we are going to participate, we're making an assessment of how best to do that. We are going to participate in trying to bring back stability to Liberia. Charles Taylor needs to leave. But we are definitely working with Kofi Annan in a multilateral fashion. We're working with the regional states, ECOWAS. The president met extensively with President Kufuor, the head of ECOWAS. He met with President Obasanjo. And so in the context of that West Africa democracies meeting, he had an opportunity to talk to the leaders about what needs to happen in Liberia.

So there is no issue, frankly, of whether the United States is going to step up. We've been--we stepped up to Liberia back in January 2001, when we made an analysis that the problems in West Africa, in particular in the Mano River states, stem from Liberia. So we've had
an active and engaged policy and we're going to continue. But we're going to be very considered in what we do. We're not running in, we're not running out. We're working and in dialogue with the regional leaders and with the U.N. to do the right thing so that we can, as the president said, bring stability back.

So we're there, and our interests are quite clear. Failed states lead to terrorists, failed states lead to undermining of human dignity, failed states lead to greater poverty. So the range of our robust Africa policy is reflected in what's going on in Liberia.

MR. BOOKER: Can I come in on that? I just wanted to add on Liberia, I mean, I think Liberia is actually the best metaphor for the history of U.S. relations with Africa because it's also the state we have the longest relations with. And it's a bit of a history of somewhat of disdain, given that the current conflict is a direct consequence of Liberia's history, particularly during the Cold War.

In other words, the United States exploited Liberia significantly, because it was a strategic asset in the Cold War. It was our communications and intelligence nerve center, our VOA satellite antenna station, etc., just as it was in-between the world wars, because of its strategic supply of rubber that Firestone squeezed out of the country. But in the last decade of the Cold War, Liberia was the highest per-capita recipient of U.S. assistance—not for development, but to prop up a petty tyrant named Samuel Doe. And at the end of the Cold War in '89, that's when Charles Taylor entered, on Christmas, from Ivory Coast next door, and that's when the United States also abandoned Liberia. And that was the beginning of the last 14 years of violence.

And so we have that obligation, that history as well. I guess the question is what's taking us so long to make a decision on a relatively straightforward proposition that now goes back several weeks—it's coming from not only the West Africans, the Liberians, the British, the French, Kofi Annan—to move forward and establish this multinational force?

I suspect it's very clear. The United States is not going to send troops. They're going to provide logistical support, transport, communication, things like that—maybe 100 troops might touch the ground so they can say there were troops or whatnot. But the United States is not prepared to provide the kind of leadership that is being requested of it for a mission that in fact is accomplishable and would be a major contribution to stability in West Africa.

And the irony of this is that the United States in Iraq is now looking for United Nations cover. It wants the United Nations to embrace the U.S. role in Iraq so that other countries will participate; it wants to share the burden that it now has in Iraq for security, for reconstruction. And yet, it's unprepared to understand that that's all that's being asked in Liberia and elsewhere in Africa, that there should be international burden-sharing of international threats, whether it's civil conflicts or AIDS or whatnot. And the United States is not, you know, prepared to share its portion of the burden.

MR. MOSS: Okay, in front on the aisle.

QUESTION: Julie Howard, from Partnership to Cut Hunger and Poverty in Africa.

Dr. Frazer, thank you very much for noting the very packed and important agenda that the African Union had. Perhaps it was important that the president not distract too much from that. But now that that summit is over, could you talk about some of the priority areas for engagement with the new leadership of the African Union, with President Chissano and also President Konare, the new chair of the commission?

I also wanted to ask Dr. Radelet, could you comment on this discrepancy that keeps popping up on the MCA? Is it three African countries? Why are you saying so few African
countries are likely to be affected by that?  On the other hand, Dr. Cronin is saying up to half.  What are you--I'm sorry that he's not here, but why such a discrepancy in assumptions?  Thanks.

MR. RADELET:  It makes it easier that he's not here.

MR. MOSS:  Why don't you take that, Steve?

MR. RADELET:  On the MCA, what I did was take the procedure that the administration outlined in a public note that was distributed just before Thanksgiving, that detailed exactly what they would do, what the indicators would be and the process that would be used to determine who would be eligible.  With the latest available data for that and a strict interpretation going, exactly what they said--for example, if a score is equal to the median, it doesn't count; if it's above the median, it does.  So really strictly following exactly what they said, I get three countries that qualify from Africa out of a dozen in the first year worldwide.  By the third year of the program, a couple of more qualified--Namibia and South Africa--up to five.

Now, there are, as Patrick mentioned, a bunch of countries that missed by one indicator.  And it is possible, and I actually advocate, that they not absolutely follow the rules strictly, that they include when a country has the median score, for example, that that's a passing hurdle.  Or for some of the other places where data are missing and it's not the country's fault that the data are missing, that there be a more flexible approach.

So if you begin to adapt a more flexible approach, there are several countries from Africa that would be very close to qualifying.  I don't know exactly what Patrick has in mind.  I sensed that there has been some talk about having a slightly more flexible approach that could begin to bring into the MCA some of these countries that might not qualify in a very strict interpretation of the data.  So I think that's what's going on.

MS. FRAZER:  I will answer--well, let me just pick up on that just to give my perspective there and then I'll answer your question about the AU.

Steve did his quantitative data crunching, but there's another part of the MCA selection process, which is a review board.  And the review board has the sort of qualitative judgment about trajectory of a country.  A country can qualify but be on a declining trajectory, and not get in the MCA; or it can just miss but be on a positive trajectory.  And so there is that qualitative component.  And so no one knows until that review board sits which countries will actually be MCA, no matter how much data crunching you want to do.

On how we will engage with the AU, I outlined our approach at the very beginning because we're not veering from it.  When we came in in January 2001, we had a very considered Africa policy.  And we think it's the right policy.  The president has met with over 25 African heads of state.  We've had our cabinet secretaries go to Africa--Secretary Powell's gone a couple of times, Secretary Abrams has gone, Secretary O'Neil went.  Zoellick has gone.  Rumsfeld has gone.  I mean, we've had at least five or six cabinet secretaries engage in Africa.  We think that we're on the right track.  They've told us that our policy and our approach is a sound one.

And so we're going to continue with that agenda with Africa.  And that agenda, the priorities, I think, with the AU is HIV/AIDS.  President Chissano, as the new chair of the AU, emphasized and highlighted the issue of HIV/AIDS at the AU.  It was the first time that HIV/AIDS was on the agenda of the OAU or the AU in such a prominent fashion.

Thank God we have President Konare as the new sort of, the chair of the commission of the AU, because he is a strong leader and he is a leader who believes in a regional perspective and he believes in conflict resolution.  He has a lot of credibility internationally and with all of the other leaders on the continent.  So we think that we're going to have a strong, broad,
deep agenda with President Konare and President Chissano, in particular one of the areas that I think is going to be critical. There are two that I really see coming up.

That's Congo—one of the things that's been missed in the press here is that the transitional government was actually sworn in today. That's a major, major achievement. Since '98 civil war, you had all of the rebel leaders showing up in Kinshasa. I mean, that's major. It's just one of those points that the media has missed. We've got to now work to try to really build peace. We've got a peace agreement, we've got a transitional government, but that's just the beginning. It took us, you know, six years to get there or whatever, but it's just the beginning. So the Congo's one that's going to be critical.

And I think the other one that's going to be critical on the agenda is Zimbabwe. We've got to deal with Zimbabwe. It's criminal, frankly, to see the infrastructure, that society, its great economy, in such tremendous decline because of the lack of good governance and a lack leadership there. So that's an area that the president had very extensive discussions with President Mbeki and other heads of state to figure out an approach that works.

We're not going to get up and simply get in the mud and start name-calling. There are other leaders in the world that have tried to name-call, and it had no impact whatsoever. You cannot talk Mugabe out of power. Let's be clear about that. I mean, you have to have a serious policy and a serious approach. And that's what we're working on right now and that's what we've been working on. And you can be sure that that's going to be a critical area that we're going to be engaging the AU, and particularly the SADIC countries, to address how to deal with a return to democracy in Zimbabwe, as the president clearly stated was necessary in his speech at the Corporate Council on Africa.

Another area that we're going to work, in addition to our AGOA trade agenda and MCA as an aid, I mentioned that we have this idea of creating secondary capital markets, secondary mortgage market, in order to build capital markets in Africa. We think that that's a key element of a strong economic program with sub-Saharan Africa.

And then finally, I would just say, as I mentioned before, the president made a commitment to address peacekeeping in Africa. The issue was not for the United States to run to the rescue, but to really work with the regional partners to build their capability to do a peacekeeping with us, with the French, with the British, and others, in partnership with the United Nations.

MR. MOSS: I see we're running out of time, so I want to give our panelists the opportunity, if they want to make any last-minute statements. Dr. Frazer?

MS. FRAZER: I started, so I should go last.

MR. MOSS: Okay. Salih?

MR. BOOKER: Okay, sure.

Well, to conclude. The three strategic pillars that Dr. Frazer outlined at the very beginning. This concept of thinking regionally about Africa, sub-regionally, having a West Africa policy, a Central Africa policy, I actually think that's a very good approach. I've written a bit about it myself quite some time ago. But I don't see it happening. In fact, I would say that the selectivity approach that we do see with the MCA account, with the AIDS initiative, with the choosing of countries, not through consultation but based on U.S. criteria, is completely at odds with this concept of thinking sub-regionally, having regional policies, having an investment in public resources, private resources in Southern Africa as a region. It makes no sense to fight AIDS in one country and not in the country next-door. AIDS doesn't respect borders.
So I would hope that you are able to begin to think sub-regionally and evolve policies in that direction.

And I did want to comment on human rights, because I think it is important, the absence of some mention there--not just political and civil rights, but economic and social rights. And the notion of health as a human right, which the administration has said clearly they do not believe in health as a human right as a basis for formulating policy.

But what's happening right now because of the preeminence of the war on terrorism is a placing of basing rights over human rights. And it's very reminiscent of the Cold War. We have a base in Djibouti. Are we concerned about human rights in that country? Dr. Frazer's identified Ethiopia as the strategic country in East Africa and the region. Do we have a human rights policy for Ethiopia?

There's been a coup in Sao Tome and Principe. The State Department has declined to call it a coup. Why? If they do, they'd have to cut off aid. And in Sao Tome there's an interest in possibly establishing a U.S. military base to look after what--human rights? No. Oil interests in West Africa, which have a strategic value.

Yes, Zimbabwe is important to focus on in terms of human rights. The problem there is the lack of the U.S. government's credibility with parties to the conflict there.

And meanwhile, Kenya, which is making such important progress in democratization, in human rights, was largely snubbed on the president's visit. And Kenya, a country that has suffered due to terrorism due to its close ties to the United States, and due to the United States continuing issuing of warnings of terrorism in Kenya, is really killing the tourism industry in Kenya.

So I feel there's a real contradiction between the selectivity and unilateralism of U.S. real policy and the thinking regionally and multilateralism of the theorectic framework, which I would embrace.

MS. FRAZER: Let me just go back to the original invite list. And what I would say to you is, one, if you have an opportunity, pick up this brochure that really outlines our policy. I think it's important. If I have one last thing to say, it's to not think of the initiatives as our Africa policy. We have a very robust Africa policy. The initiatives are simply to highlight it, to reflect it, and to support it. But the initiatives are not our Africa policy.

You know, I've outlined what our Africa policy is. Our Africa policy is absolutely substantive. Now, these initiatives that the president has announced are bold, they're historic, and they will be funded. And he is working with the Congress to make sure that that occurs. But those initiatives, as bold and historic as they are, do not constitute our Africa policy. Our Africa policy is much broader and much more robust than any particular initiative. The initiatives build the policy, the support the policy, but they don't become--they're not the policy.

So I invite you to look at the brochure. I invite you to engage with us, talk to us. Bobby Pitman [sp] here is my director for economic affairs. Bobby, stand up so you can see. And we're available. And the one thing that we came in saying in 2001, and which we continue to say, is judge us by our actions, not by our words. It's a whole bunch of rhetoric around Africa policy. It ain't about the rhetoric. Judge us by what we do. We don't talk a lot, but we do deliver.

MR. MOSS: Okay, on that note, I'd like to thank all of our panelists for their participation, for everyone's attendance. Thank you.