



Africa Action Talking Points on the G8 and Africa

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Two years after the Group of 8 (G8) wealthy nations' summit of 2005 – with its promises to prioritize the health, well being and economic development of Africa – the G8 nations will convene again this week. This opportunity to revisit the G8 promises reveals that too much time has been wasted and too little action has been taken towards reaching these goals.

While the G8 countries make up a minority of the world's population, they control a majority of global GDP, and thus possess the crucial capacity to direct attention and funds to the most pressing issues of our time. Yet, the priorities of the Global South, a majority of the world's population, are consistently given short shrift, as rich elites control the global decision-making bodies and determine the flow of resources.

Key goals were set in 2005: the G8 pledged to cancel the onerous debt of low-income countries; to achieve universal access to HIV/AIDS treatment by 2010; and to drastically boost foreign aid, with a particular focus on Africa. As the G8 leaders meet in Heiligendamm, Germany for the 2007 summit, new action must be taken to demonstrate that these stated objectives reflect more than just rhetoric.

The 2005 Gleneagles G8: Pledges Made and Broken

As a result of significant international pressure generated by activists pushing for social and economic justice, the 2005 G8 summit agenda's focus on Africa was specifically highlighted, and the G8 leaders boldly proclaimed their intention to address the causes of poverty in Africa. Nevertheless, the stated goals that emerged barely begin to tackle the injustice and deep-rooted sources of Africa's poverty, and even these targets have not received adequate attention from the elite wealthy nations.

Debt cancellation. Despite proclamations to the contrary, the 2005 G8 did not come near the goal of "100% multilateral debt cancellation." Recent updates show that 22 countries did qualify for debt cancellation through the Multilateral Debt Relief Initiative (MDRI), or 2005 G8 debt deal. Of these, 18 were African nations, and on average, each African country's debt was cut by just under 65%, far below a full cancellation. These countries were also forced to institute economic conditions imposed by the international financial institutions in order to become eligible, a process accomplished over the course of years and unnecessarily delaying the gains afforded by cancellation.

Where debt cancellation becomes available, countries have used the opportunity to direct the newly freed resources towards investments in health, education, infrastructure and more. In Ghana, debt

cancellation has been used to fund free early education, and in Mali, the funds were invested in improving the water supply and roads. The G8 nations must now work to expand debt cancellation for all countries currently burdened by massive and un-payable debt.

Universal access to HIV/AIDS treatment. The G8 proposed the year 2010 as a target date for the realization of universal access to HIV/AIDS treatment. At the current rate of progress, less than half of all people in need of vital and life-prolonging medication will be receiving it by 2010. The pandemic continues to wreak its worst ravages in sub-Saharan Africa, which represents only 10% of the world's population but makes up approximately two-thirds of the world's HIV/AIDS cases.

The U.S., along with its G8 partners, must commit to rapidly boost the funding directed towards the expansion of access to treatment, especially in Africa. The U.S. must therefore increase its contribution to the Global Fund to fight AIDS, Tuberculosis and Malaria, a crucial vehicle in the worldwide effort to combat HIV/AIDS, and it must work with the international community in setting up concrete benchmarks on the path towards universal access.

In May 2007, President Bush announced that the AIDS budget would be increased from \$15 billion to \$30 billion. However, the potential gain from this still insufficient expansion in funds will be severely constrained, unless ideologically based restrictions – such as the focus on abstinence-only prevention strategies – are removed. The pace of the HIV/AIDS pandemic continues to drastically overwhelm the U.S. and international community's political will to address it.

Increased foreign aid. Almost forty years ago, in 1970, international donor nations committed to the goal of devoting 0.7% of their national incomes to foreign aid. To this day, no nation has come close to achieving this goal. U.S. levels of aid in 2006 stood at only 0.17% of gross national income. Despite the promise to increase worldwide aid by \$50 billion by 2010, at the current rate, this goal will fall short by \$30 billion. Moreover, official figures of development assistance continue to be inflated, as debt cancellation is double-counted as aid. In order for increased aid levels to be fully effective, they must be accompanied by 100% debt cancellation, representing a net gain for recipient countries.

The Heiligendamm G8: The 2007 Agenda

The G8 summit this week again turns to Africa, with the theme of "Growth and Responsibility." While this heading purportedly refers to the need for responsibility on the part of African governments, the G8 must recognize its own significant responsibility as the international community works toward ensuring economic and human development, and guaranteeing the protection of human rights. As the G8, under the leadership of the German presidency, seeks to amplify its interaction with Africa, African voices must not be excluded in the discussion of the continent's key priorities.

Genocide in Darfur. As the violence, loss of life, and displacement of communities continues into its fifth year, the ongoing genocide in Darfur must be a key element of the G8 discussion of peace and security in Africa. The United Nations (UN) reports that the number of people dependent of humanitarian assistance for survival is nearing four million. UN reports also confirmed the

continuation of Sudanese government-sponsored aerial attacks on villages in Darfur in recent months. Yet, effective action by the international community to ensure the protection of vulnerable civilians has been held up by the persistent opposition of the Sudanese government.

The U.S. must work with the other G8 member states and with the rest of the international community to create a global partnership in opposition to genocide in Darfur. The economic sanctions targeted against key Sudanese companies and individuals, announced at the end of May by President Bush, represent one element of a larger imperative to increase pressure on Khartoum, but this unilateral action is nowhere near enough. The G8 must work to rally multilateral support for the deployment of a robust multinational protection force to provide security for Darfur and to create stability for a peace negotiations process.

Predatory activities of vulture funds. In the aftermath of the partial debt cancellation that a handful of countries have received in recent years, a new and potent threat has emerged. Vulture funds, or companies that make huge profits by buying a country's debt at a reduced price and then suing for the full amount, are siphoning away debt cancellation gains. In a recent case, Donegal International purchased debt owed by Zambia for \$3.3 million and sued the Zambian government for \$55 million. After a protracted and expensive legal case, a British court ruled that Zambia must pay \$15 million to the vulture fund, more than a third of the debt cancellation gains Zambia anticipated for 2007.

Due to debt cancellation, Zambia had previously used the newly available funds to eliminate user fees for basic health services. This ability has now been severely curtailed by the profit-minded activities of a vulture fund. Across Africa, these cases are increasingly common. The G8 nations must take strong action to ensure that its efforts to cancel debts in Africa and elsewhere are not undermined by vulture fund activities. The G8 must work with the international financial institutions to ensure that country debts are not available for purchase by vulture funds, and G8 nations must use legislation to make such activity impossible in future. A code of conduct to ensure responsible lending practices on the part of creditors must also be a part of a long-term strategy to protect African nations from vulture funds.



The resources needed to tackle the major challenges of poverty and exploitation are available, and the G8 nations possess the capacity to direct these resources effectively. But the past two years have demonstrated that the political will to act quickly and purposefully is lacking. If the international community is to assist Africa in reaching the targets for health, education and development, urgent action must be undertaken by the G8 now. The year 2007 must mark a turning point – the world will hold the G8 accountable for its commitment to move towards these crucial targets.



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