Examining the Goals of WOA

by

Mbizha Edmund Chifamba
Executive Director

When I became the Executive Director of the Washington Office on Africa some six months ago I was excited to join an organization that for many years has been a fulcrum for positive change in America's relationship with Africa. From the days when WOA was a rare voice for Africa's independence through the campaign against the racial injustice and brutality of colonialism and apartheid to today's struggles for economic and social justice and democracy, ardent champions of human rights in Africa and America have had a home and a mission at WOA. As an African immigrant in America I hope to bring my knowledge and experience of both worlds to the difficult challenges ahead.

What do I bring to this task? Among the tools I have brought from Zimbabwe, my country, is a life living, working and studying with people mired in the deepest forms of poverty. It is difficult to describe the human cost of such suffering, but in the trajectory of my life I have met people whose families have been devastated, even destroyed, by the enormity of the destitution that engulfs them.

Absolute poverty wages a kind of spiritual war on its victims. Some have had their souls amputated as they watch their mother die for lack of a dollar's worth of medicine or a sack of corn. Others have had their self-esteem maimed by the land mines of humiliation and desperation planted by the rigors of daily survival. In Africa it is not the unfortunate few who suffer thus, but the overwhelming majority—short-changed and unheard by a global system that values power instead of people, wealth instead of justice, and weapons of war over the ploughshares of peace. We all share this rich Earth, but to a great extent, Africans and Americans live in different worlds, separate and unequal, rich and poor, black and white.

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EXAMINING THE GOALS OF WOA

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I have been privileged to escape the barriers that hold back so many of my brothers and sisters. I have acquired skills through education and work experience in the West and used them on my life's journey to Washington and the Washington Office on Africa. Countless millions of others, however, still find themselves locked in a situation not of their own making, and from which they cannot extricate themselves without solidarity and justice. As a citizen of both worlds I have seen the cruelty of the global divide, but also the power of those on both sides who are building bridges of faith and solidarity over the chasm.

I cannot imagine a better or more challenging place to be than WOA. While advocating for greater understanding and more humane policies directed toward assisting the poor, I have begun to experience the contradictions and realities found inside "The Beltway" as many here call Washington. Most importantly, joining WOA has blessed me with the opportunity of working with all of you to build those bridges to a better world.

One of the things that sustains marginalized people in Africa is the knowledge that there are people-centred institutions like WOA challenging those with material wealth and influence to go beyond the rhetoric of what is termed the "development agenda" to a new relationship with the poor based on justice. Despite Washington's limitations the opportunity to raise consciousness and advocate effectively on behalf of a new partnership with Africa is vast.

At the dawn of the new millennium a new set of visions and goals were adopted at the UN to finally move past the failed development agenda of the past. The eight Millennium Development Goals (MDGs) - which range from halving extreme poverty to halting the spread of HIV/AIDS and providing universal primary education, all by the target date of 2015 - form a blueprint agreed to by all the world's countries and the entire world's leading development institutions. But although Africa is making progress towards some of the goals, it still has to overcome huge barriers (see www.un.org/millenniumgoals/), and WOA will strengthen its work in support of the MDGs in the months ahead.

To face the challenge of meeting these goals by the 2015 deadline, we will highlight the target of halving the number of people suffering from hunger and focus on the issue of food security - a vital issue on a continent where 1 in 3 people are malnourished. Assisting communities to reach good nutrition is winning half the development battle, given the damage hunger and malnutrition do to young bodies and minds. In a world that produces an overabundance of food, an adequate diet should never be a privilege reserved only for the rich. The news that relief groups have slashed food aid for the victims of war and genocide in Darfur because of donor cutbacks is a tragic reminder that we suffer not a food deficit but a solidarity deficit.

In the coming months WOA will work to help forge powerful alliances between the faith community, our African partners, and other humanitarian and advocacy groups in Washington to increase US aid for African farmers and also food aid to meet urgent human needs in places like Darfur, drought-stricken Malawi and Ethiopia. To secure the resources, human, material and political to get this job done WOA envisions a grassroots educational campaign to support our advocacy efforts in Washington. Coming together on the strength of our shared values, and working together in common purpose we can build those new bridges to a better world. As I watch the images of millions of my fellow immigrants taking to America's streets in joyous celebration of their dreams of freedom I know, as they do, that in peace and solidarity, si se puede! Yes we can!
President's AIDS Plan: Less Bang for the Buck

In December State Department officials announced that since its launch in 2003 over 400,000 HIV-positive people in 15 countries, including 12 in Africa, were receiving lifesaving drug treatment under the President’s 5-year, $15 billion Emergency Plan for AIDS Relief (PEPFAR). The U.S. effort, combined with an AIDS drug treatment drive by the World Health Organization, has seen the number of the number of Africans with access to the medicines rise from 50,000 in 2003 to over 800,000 in just two years. The drugs, known as antiretrovirals (ARVs), attack the HIV virus that causes AIDS, and is prescribed only for those in the last stages of the illness. An estimated 6.5 million people around the world are in urgent need of the drugs, including 4.7 million in Africa. Despite the increase fewer than 1 in 5 Africans whose lives depend on them can obtain them.

The US is the single largest financial contributor to the battle against AIDS in poor countries, accounting for nearly half of the global total, and the administration is requesting a 22 percent spending increase this year. But the amount of money available to combat HIV, which infects an estimated 25 million people in Africa alone, remains far below the need, and many observers, including the U.S. government’s General Accounting Office (GAO) argue that ideology is trumping science and delivering less prevention, care and treatment bang for the buck.

Last year, the GAO reported that PEPFAR’s refusal to buy cheaper generic drugs from Indian suppliers meant that Washington was paying about twice as much as WHO for the same treatments – incurring hundreds of millions of dollars in needless expenses over the life of the program. In April of this year the GAO reported that a congressionally mandated focus on abstinence instead of education, condom use and other proven prevention techniques was forcing some countries to cut back on vital prevention efforts – including medical treatment to prevent mothers from passing the virus to their newborn infants. Meanwhile, US funding for the International Global Fund to Fight AIDS, Tuberculosis and Malaria, a vital source of funding for HIV/AIDS programs in poor countries is expected to be cut sharply.

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A NOTE TO READERS AND TO SUBSCRIBERS

This is the first issue of Washington Notes on Africa since the spring of 2004 (issue 30, 1). We regret this break in our publication schedule. Institutions with paid subscriptions should contact WOA for any adjustments.

All subscribers who may wish to receive their copies of WNA electronically should send an e-mail to woa@igc.org.
In Memory
Damu Amiri Imara Smith
1952 – 2006

We mourn the passing of Damu Smith, Executive Director of the Washington Office on Africa from 1986 to 1988, who died on May 5 after a courageous battle with cancer. At WOA, Damu played a leadership role in the U.S. anti-apartheid movement. But his contributions to the struggle for racial equality and justice at home were equally significant. As a member of the Commission for Racial Justice of the United Church of Christ, the National Alliance Against Racist and Political Repression and the Wilmington 10 Defense Committee, he challenged government attacks against African-American political leaders and was deeply involved in economic and social justice organizing in communities of color.

Damu was also a leader of the environmental justice and peace movements, serving as the associate director and national toxics campaign coordinator for Greenpeace and as environmental justice coordinator for the Southern Organizing Committee. He was the founding director of the National Black Environmental Justice Network, and headed Black Voices for Peace, mobilizing opposition to the war in Iraq and for peace in the Middle East in the African American community. Our condolences go out to his family and many friends. His dedication and commitment will be sorely missed.
Food Security and Trade in Agriculture: Africa keeps a watchful eye on U.S. policy

Small farmers in sub-Saharan Africa have big worries, from the daily struggle for land, water, seeds, proper inputs and tools, to droughts, limited markets and low commodity prices. Now African farmers have another big worry – the U.S. agribusiness interests and Washington politicians whose trade and agriculture policies have plunged millions into desperate poverty, left tens of millions more hungry and taken the lives of countless children ravaged by malnutrition and the diseases that follow. The following article, contributed by WOA Board member, Kathy McNeehy, describes the intersection of the U.S. Farm Bill with global trade negotiations and their deadly impact on small producers and food security in sub-Saharan Africa.

Agriculture has been a hot topic in global trade talks since it was put on the table at the World Trade Organization (WTO) summit in Doha Qatar in 2001. The promise then was to eliminate unfair U.S. and European trade practices that locked African farm products out of rich country markets yet allowed wealthy countries to flood African markets with massively subsidized exports. The injustices of the rules governing the trade in agriculture, including an estimated $1 billion a day in government subsidies to Western producers, have lowered world prices for African produce and forced countless family farmers off their land as they lose the battle for even local markets to their subsidized overseas competitors.

Governments agreed in Qatar to create new, fairer trade rules for agriculture by March 2003, and even declared the Doha trade negotiations a “development round” to put fighting poverty at the heart of the global trade system. Three years and many broken promises later, tragically, agricultural trade is as unjust as ever. African farmers are slipping deeper into destitution and the Doha “development round” has proven to be a cruel runaround for the poor.

The fate of millions of African farmers, 70 percent of them women, is closely tied to a battle raging on Capitol Hill which pits the champions of the U.S. Farm Bill against those who would want to see the U.S. play a positive role in resolving the current stalemate over agriculture at the WTO. Though the Farm Bill is slated to be reauthorized in 2007, the debate around the new legislation has already begun. The Farm Bill covers virtually all aspects of domestic food policy from food stamps to environmentally friendly farm practices. It also covers U.S. farm supports – this is why in Africa and in other parts of the world, all eyes are on the size and kinds of subsidies that U.S. farmers will receive.

The farm lobby and their Congressional allies do not want to give up their existing subsidies, but they do want greater access to foreign markets, especially in developing countries. The Bush administration has obligingly been pressuring poor countries to get rid of import taxes and quotas on U.S. exports at the WTO, through individual trade agreements, by attaching trade conditions to IMF and World Bank loans and by demanding concessions in exchange for desperately needed U.S. aid.

Poor countries argue that they should be allowed to protect their domestic markets and small farmers from subsidized competition and trade barriers in wealthy countries, but they lack the global economic and political power to force the rich to compete fairly.

At the World Trade Organization the U.S., Europe and Japan have offered to reduce subsidies defined as “trade distorting” while allowing subsidies deemed not to impact global trade under WTO rules. But agricultural giants like the U.S. and EU wrote the WTO rules – creating loopholes that allow them to subsidize their farm economies. Rather than being reduced or eliminated, most subsidies are being “repackaged” so that they can contain components under any new WTO rules. This allows them to continue to export products like corn, rice, sugar, milk and cotton at prices far below the cost of their production, a policy known as “dumping.”

The Farm Bill authorizes some genuinely non-trade-distorting subsidies like ones that encourage farmers to take land out of production, but over the time the U.S. was promised to reduce subsidies at the

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U.S. AFRICA TRADE POLICY

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WTO Washington has actually increased its agriculture subsidies. Considering that during the 2004 presidential election cycle, agribusiness industries contributed more than $52 million to political campaigns; it is not hard to see why.

Rice, for example, is the staple food of millions of people around the world, including West and Central Africa. The U.S., one of the most expensive producers of rice in the world, is nevertheless the third largest rice exporter globally. Why? In 2003 the U.S. subsidized rice growers to the tune of $1.3 billion – effectively footing the bill for 72 percent of the cost of production.”[Oxfam International, Kicking down the door, April 2005 (www.oxfam.org.uk/what_we_do/issues/trade/bp72_rice.htm)]

When heavily subsidized U.S. rice is sold at rock bottom prices in African markets, small local farmers cannot compete. In turn, they go out of business and leave their rural communities looking for work. Farmers who once traded food with neighbors must now have cash to buy food. They end up swelling overcrowded cities and with high unemployment, go hungry or turn to prostitution and crime to survive.

Many leaders of African countries have been sold on free trade with promises that they can lift their countries out of poverty by selling their products to consumers in northern countries like the U.S. But after decades of free market policies the number of Africans in absolute poverty is rising. Africa’s share of the world trade is declining and barriers to many African exports remain firmly in place in the U.S. and Europe. Many African countries are still living with colonialism’s economic legacy – locking them into the export of one or two raw materials. Commodity prices are erratic, rising or falling by more than 20 percent a year – so increasing trade in these products doesn’t always mean economic growth – and in some cases where there has been economic growth, it has not always translated into rural development and poverty reduction. Raw African coffee beans, for example, enter Europe duty free, but taxes on processed coffee, which would create jobs and wealth in Africa, run as high as 300-400 percent.

Poor countries in Africa and around the world have already opened their markets to meet the demands of the World Bank and International Monetary Fund. Further liberalization took place through trade arrangements like the Africa Growth and Opportunity Act (AGOA) – which required that African countries meet the demands imposed by the IMF and World Bank, as well as those imposed by Washington in exchange for easier access to U.S. consumers.

Forced to open their economies to foreign competition but unable to break into rich country markets, countries have struggled to find ways to keep small farmers in business and provide the jobs and health and education services their citizens need. Since many poor countries have been forced to cut their spending on vital human services to meet limits imposed by the IMF, many have dropped agricultural extension projects, irrigation and rural development programs and other supports to small rural farmers, who comprise the vast majority of Africa’s citizens.

The only tools governments have left to protect small farmers are quotas or import taxes to limit imports, and price controls on highly subsidized products like rice, to prevent imports from destroying rural livelihoods and undermining African efforts to feed themselves. Ironically, it is precisely policies to promote economic development and reduce poverty that are under threat at the Doha “development round” talks.

Ironically, it is precisely policies to promote economic development and reduce poverty that are under threat at the Doha “development round” talks.

But time is running out on the Doha negotiations and parallel efforts by Washington to reach equally unfair trade agreements with individual countries and regions. Legislation making it easier to win congressional approval of trade deals, known as “Fast Track Authority,” expires in July 2007. Under fast track, Congress does not have the authority to rework the agreement, but does have to power to approve or reject the agreement that has been negotiated. Without fast track authority, passage of free trade agreements will be much more difficult, and some analysts believe that the administration will try to add it to a bill that Congress wants and needs to pass, like the farm bill, or the budget so that it can hold on to that authority.

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Civil Society AGOA Forum – June 6-7, 2006

A core group of civil society and faith-based advocacy organizations, meeting under the tutelage of the Christian anti-hunger group Bread for the World, gathered in Washington D.C., in early June to examine the impact of the US-Africa free trade agreement, the African Growth and Opportunity Act (AGOA), on African economic development and poverty reduction. The forum called for the agreement’s expansion beyond the elimination of US tariffs on some African exports to become the “AGOA we need” to better support African economic development and anti-poverty efforts. The following is a synopsis of some of the highlights from the forum compiled by Mchita Edmund Chifamba, the Executive Director of the Washington Office on Africa who participated in the proceedings of the forum.

From June 6-7, Washington D.C. was a hive of activity for lobbyists and advocacy groups at the AGOA Civil Society Forum. A clarion call for change was heard from a myriad of African entrepreneurs at the meeting, including a coffee exporter from Uganda, a black wine producer from South Africa, a cocoa grower from Cote d’Ivoire, a leader of the Nigerian African Export Development Foundation and a representative of the Federation of Associations of Ghanaian Exporters. They provided an African perspective on the outcomes of AGOA since its adoption five years ago. Some of the highlights from the forum included the need to:

- Ease the “rules of origin,” regulations which determine the source country of a given product, which in turn determines whether that product can enter the US duty free. Under globalisation a single product can cross many borders before reaching the US and the rules of origin are a key factor in establishing tariff free, or “preferential” access to US markets for African exporters. Current rules exclude some textiles and agricultural products. This was perceived as an obstacle to expanded and diversified African exports to the US and not helpful to Africans in poverty situations.

- Provide tariff-free entry to all African products. Case by case preferences cannot provide a long-term boost to African development and currently exclude about 40 percent of US imports. Trade barriers affect all markets and all sectors. Reducing trade barriers supports access to all markets and assists all sectors.

- End selective preferences that can pit the poor against each other by favouring one country’s products over another. This raises questions about the US commitment to reform its trade policies to encourage sustainable and broad-based development.

- Benefit women, who form the majority of the Africa’s poorest among the poor. They earn less than a dollar a day or nothing at all. Women form 60-90 percent of the agricultural, and textile workforce and initially benefited from AGOA’s textile provisions as Asian manufacturers set up factories in Africa for the US market and created hundreds of thousands of jobs – although under brutal working conditions and for extremely low pay. Since the end of the global quota system in January 2005 that guaranteed African countries a percentage of the Western clothing market, however, over 250,000 of those jobs have been lost, jeopardizing the well-being of an estimated 1 million people dependent on those wages. In the view of participants, Africa could lose the small remaining gains if third country production is outlawed.

- Create opportunities for African entrepreneurs to succeed in local markets before entering the US market, where competition with modern multi-national producers is fierce. This calls for investment in quality control and capacity building and training in Africa to reach a competitive level with American producers, and removal of tariff barriers on finished products. An example was given of 1 lb of coffee beans sold for $1.00 in Africa but fetching many times that on the US market after it is processed and roasted.

- Refocus AGOA to create an enabling environment for genuine wealth creation. Despite the development rhetoric used by free trade supporters to defend AGOA, its main beneficiaries have been US and European energy companies who are exempted from tariffs on African oil. Five years after AGOA, almost 90 percent of US imports from Africa are petroleum. Far from benefiting the poor, Africa’s oil wealth has financed decades of dictatorship and conflict in the major producing countries – including Nigeria, Angola, Equatorial Guinea and Chad – and actually contributed to the suffering of the majority.

- Increase access to capital for African entrepreneurs and small-scale producers in Africa. Low investment has inhibited the development of local competition to foreign producers that gain access to African markets, often with subsidized products. There was a call to define aid not as charity, with the helplessness,

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Si Se Puede!
Immigration, Globalization and Africa’s Stake in the Struggle for Immigrant Rights

by Gumisai Mutume

The growing legion of African doctors, professors, engineers and lawyers in New York, Washington, Chicago and other cities, and the small but visible presence of Africans in the massive immigrants’ rights demonstrations this Spring are a testimony to Africa’s stake in the debate over US immigration reform. Dwarfed by the size of the Latin American immigrant community, African immigrants nevertheless have much to gain from just and humane immigration policies and everything to lose from efforts by the extremist Right to demonize and criminalize our undocumented neighbors.

Remittances from Africans living and working overseas are an important source of income for families in poor countries, and, economists now realize, a largely unnoticed stream of investment capital for countries struggling to finance economic development. Africans returning home often bring with them skills and expertise acquired in the West, and, in their adopted countries, constitute an infant but potentially important influence on Africa policy. On the down side, however, is the “brain drain” of skilled African professionals to better paying jobs in the US and Africa – a growing problem that threatens to bleed the continent of the talent and training needed for development. Migrants fleeing poverty or war back home for Europe are often victimized by human traffickers and brutal border guards, die in the perilous passage across deserts and oceans, and face discrimination and harassment if they do arrive. As persons of faith we are called to stand with the oppressed and marginalized – to demand that whatever reform legislation finally emerges in Congress respects human rights, establishes a clear path to legality and citizenship, and assists poor countries to create more jobs and opportunities at home.

In this article, adapted from a series on African migration in the UN magazine Africa Renewal, Gumisai Mutume looks at the forces behind the flow of Africans across international borders and assesses the benefits and the costs of migration to Africa’s

Sometimes, for months on end, young African men and women risk everything, including their lives, to take on the perilous trip across dozens of borders and the treacherous waves of the Mediterranean Sea in search of a better life in the North. Some die along the way, some are turned back and some who finish the journey realize that life may not be easier across the frontier. But with few jobs and dim prospects at home, millions of youths and young adults in Africa still choose to migrate, often clandestinely.

Such movements of people pose difficult questions for governments and the international community and are currently at the center of disagreements between the mainly poor sending countries and the richer receiving nations. Today the world is more connected than ever. Information, commodities and money flow rapidly across national boundaries, a phenomenon often referred to as globalization. But while industrial countries are promoting easier flows of capital, goods and services (which they mainly supply), they are at the same time restricting the movement of labor, which comes mainly from developing countries.

Between 1960 and 2000, the share of merchandise exports and trade in services has roughly doubled, owing to new global trade policies negotiated at the World Trade Organization (WTO). But during the same period the share of international migrants in relation to the world’s population has increased only slightly, owing to resistance to immigration in developed countries. By 2000 there were an estimated 175 million migrants worldwide, most moving from low- to higher-income nations. About 9 per cent — 16.3 million — were African, down from 12 per cent in 1960.

Complex issues

Migration brings with it “many complex challenges,” says UN Secretary-General Kofi Annan, including human rights abuses, economic opportunity, labor shortages and

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unemployment, the brain drain, multiculturalism and integration, flows of refugees and asylum seekers and law enforcement. In the wake of the terrorist attacks on the US in 2001, many governments view immigration as a matter of national security.

“We cannot ignore the real policy difficulties posed by migration,” says Mr. Annan. “But neither should we lose sight of its immense potential to benefit migrants, the countries they leave and those to which they migrate.”

Owing to an expanding global economy and the long-term trend of ageing populations, many industrial countries need migrants. They face labor shortages in highly skilled areas such as information technology and health services, as well as unskilled sectors like agriculture, manufacturing and construction. Many governments, including the US, often turn a blind eye to irregular migration to fill jobs locals do not want.

But there are limits to the number of migrants they can take. Some countries of the European Union, for example, have a growing number of “underutilized” workers, who are either unemployed or forced to work part-time. In France and Italy, the rate of underutilized labor reached 21 per cent in 2004, up from 17 per cent in 1994. As a result, more countries are opting to accept mainly those immigrants with skills or money to invest.

In contrast, developing countries are demanding more open policies. They view migration as offering an opportunity to reduce the ranks of the unemployed, earn revenue through the remittance of workers’ earnings, and import skills, knowledge and technology via returning residents. Yet they are also concerned about losing skilled workers to richer countries, a process referred to as the brain drain.

Aware of the detrimental effect of such migration, some have introduced measures to reduce the departure of people whose skills are needed, such as doctors and nurses.

How to develop comprehensive policies to manage all these issues is daunting, noted Mr. Dhananjayan Sriskandarajah of the Michigan-based Institute for Public Policy Research.

The challenge in this age of globalization, he says, is “how to design a system that leads to freer and fairer flows of people, skills and remittances.”

Creating jobs
Most people who seek to migrate are pushed by circumstances in their home countries. War, poverty and persecution prompt people to become refugees, asylum seekers and labor migrants. In most emigrant-producing countries, jobs are scarce or salaries are too low for survival, obliging people to seek opportunities elsewhere.

“Globalization has so far not led to the creation of sufficient and sustainable decent work opportunities around the world,” says International Labor Organization Director-General Juan Somavia. “Better jobs and income for the world’s workers has not been a priority in policy-making.”

Over the last few decades many African countries have failed to create jobs for their growing populations despite pursuing free market policies recommended by the World Bank and International Monetary Fund. Instead, in many countries there has been a decline in job opportunities and real incomes. Between 1994 and 2004, the number of workers living on less than a dollar a day increased by 28 million in sub-Saharan Africa.

“I dread to think of the scenes we may be contemplating in, say, 20 years if we do not make a massive consolidated effort to create jobs and opportunities.”

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**FOCUS ON IMMIGRATION**

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**U.S. Africa Trade Policy**

Others speculate that with the President’s approval ratings at an historic low, personnel changes in the U.S. trade office and Congressional elections looming, the administration is losing steam on its free trade agenda.

In April WTO negotiators failed to meet a critical deadline for progress in the negotiations, a sign, say may observers, that the Doha round is nearing collapse. At the same time Washington has been forced to scale down its expectations for a wide-ranging free trade agreement with the five countries of the Southern African Customs Union (SACU) — South Africa, Namibia, Botswana Lesotho and Swaziland. Negotiations were “on again, off again” for three years as the SACU countries rejected U.S. demands for concessions more damaging to their economies than those required by the WTO. SACU finally rejected Washington’s “comprehensive” proposal in mid-April that, among other things, would have raised the cost of life-saving anti-retroviral medicines in a region with the highest HIV/Aids infection rates in the world.

WOA plans to monitor U.S. trade policies and the farm bill to ensure justice for African and U.S. farmers and support Africa’s own efforts to end hunger and poverty.
FOCUS ON IMMIGRATION

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in West Africa," says UN representative Ahmedou Ould-Abdallah. "What is happening now is only a tip of the iceberg, compared to what will occur if urgent solutions are not found."

International trade policies make the situation worse for many African countries. For example, most wealthy countries protect their farm sectors through subsidies, guaranteeing their farmers prices higher than on world markets and leaving farmers in sending countries unable to compete — driving millions of people off the land in search of new livelihoods in the cities or abroad.

Even investment policies in industrial nations, which could be used to manage the flow of migrants, are falling short. "The incentive to invest in developing countries is driven by expected profits, not the need for jobs to reduce emigration," says Mr. Philip Martin, a professor at the University of California. "It's time for the international financial institutions, the entire UN system and bilateral cooperation to focus energies on job creation in Africa," says Mr. Somavia. In addition to reducing poverty and emigration, he said, employment "is so fundamental to peace, security and unity."

Financing development

Many developing countries maintain that freer migration would be a quick means of increasing their benefits from globalization. Every day thousands of Africans across the world transfer hundreds of thousands of dollars to their native countries to help send a child to school, build a house or buy food for those left at home. From the United States, Saudi Arabia, Germany, Belgium, Switzerland and France — the top sources of such funds to developing countries — some of the money finds its way deep into the rural areas of Africa.

Until recently, the importance of sending home a proportion of a worker's earnings from abroad has largely been overlooked. But economic planners are beginning to point to the potential benefits of using these resources for development.

"For a capital-poor continent like Africa, you can't ignore this source of income," says South African Institute of International Affairs researcher Mills Soko. He says the continent needs to do more to track amounts being sent, encourage those who send money to continue doing so and direct remittances into national development programmes.

In the Kayes region of Mali, for example, remittances have helped build 60 percent of the infrastructure. About 40 Malian migrant associations living in France support nearly 150 projects in the region, valued at over $3 million.

The seemingly small amounts of money sent by individuals, about $250 to $300 per transaction, add up to large sums. The total amounts sent to Africa average about $12 bn each year. However, because most of it is unrecorded, the World Bank estimates that the total could be three times higher than official figures.

Capturing remittances

To encourage their citizens abroad to send money home, other parts of the developing world, such as Brazil, Ecuador, Mexico, India and the Philippines use a number of incentives.

In Mexico, the state of Zacatecas provides matching funds to complement money sent by residents living abroad. It matches each dollar sent with three (one each from the municipality, state and federal governments). The programme has funded more than 400 projects in the area worth a total investment of $4.5 bn.

In Ecuador, a recently established programme known as 'Me family, my country, my return' offers loans to migrants to pay for their return home and to set up business. It also offers money transfer services and savings schemes to allow migrants to buy land or homes in their native country.

A growing number of African countries have similar programmes. In Zimbabwe the central bank introduced the Homelink scheme last year to encourage nationals abroad to send money home to purchase houses. The country is in desperate need of foreign currency since the withdrawal of support by the International Monetary Fund (IMF) and the World Bank a few years ago due to the political crisis there.

As in many other African countries, weak financial systems discourage the use of banks and other means of sending money. Banks are often concentrated in urban areas out of reach of many rural dwellers. Those who send money home therefore use friends or informal networks that allow money to be deposited with a trader in one country and paid out in another. To encourage transfers inside the system, the government of Uganda loosened rules prohibiting trade in foreign currency, allowing residents to own and operate foreign currency bank accounts.

Remittances are the reverse side of the brain drain. It is estimated that 20,000 Africans leave their countries to settle abroad each year. Over the years, most attention has focused on the negative aspects of the brain drain, particularly the loss of desperately needed skills.
But by 2020, remittances to developing countries are expected to reach $200 billion annually and African countries cannot afford to be left out of this increasingly important source of financing. For starters, larger economies such as Nigeria should lead the way in developing policies to benefit from their citizens abroad, says former US Ambassador to Nigeria Howard Jeter.

“There is a wealth of financial, technical and intellectual expertise in the Diaspora,” he says. “Africa needs to exploit these human and material resources to help tackle the challenges of development, environmental degradation, food security, energy supply, HIV/AIDS and equitable economic growth.”

The challenge is to develop policies that are acceptable to both industrial and developing nations and that will spur global prosperity. Successful international cooperation to spur Africa’s economies will depend on adequate financing for initiatives like the continental development strategy, the New Partnership for Africa’s Development (NEPAD), increased aid and a lasting solution to Africa’s debt burden.

African countries are also pushing industrial nations to drop barriers to the free movement of labor. African and other developing countries are arguing that just as trade in goods, services and information have been opened up, so should the flow of labor, a sector in which developing countries hold an advantage and from which they could earn substantial revenue. Led by India, developing nations are using the liberalization of labor as one of the markers for measuring the success of the current round of WTO negotiations, due for completion by the end of this year.

Temporary migration

In the US, where there are about 34 million foreign-born workers, including 12 million people without documents, a bitter row has broken out over whether to accommodate or criminalize the undocumented. While Congressional conservatives are calling for harsh penalties against undocumented migrants, mass deportations and fortification of the southern border with Mexico, President Bush is pushing for new domestic legislation to allow temporary migration for workers for up to three years. Those who participate would not, however, be able to apply for permanent legal status once their time in the program expires. With more than 1 million immigrant workers caught trying to enter the US from Mexico in 2005 alone, Mr. Bush’s plan recommends increased border patrols.

The proposals have generated heated debate, with some opposed to giving any concessions to people living in the country illegally. Such concessions, they argue, would reward “wrongdoers.” But there is growing pressure from US businesses for comprehensive immigration reform, including a guest-worker program, to provide legal ways for those who have entered the country illegally to continue working. A massive protest movement of immigrant workers has also emerged in recent months, mobilizing millions of people to demand amnesty for the undocumented and an easier path to citizenship.

Migration on the rise

Despite attempts to limit the number of people moving across borders, especially between rich and poor countries, experts forecast that international migration is going to rise. One reason is demographic. While populations in developing countries are growing rapidly, those in high-income nations are not. To keep their economies running, developed countries need workers. Europe's largest employer, the UK's National Health Service, is highly dependent on migrants to work as nurses and doctors, while the high technology sector in the US uses thousands of young migrants to fill many vacant posts.

Also, migration is good for economic growth. The World Bank estimates that if the labor force in high-income countries were to grow by 3 per cent, even if the additional workers were all migrants, there would be $356 billion in annual global economic gains. “That would be larger than gains from trade, for example,” says Mr. Dilip Ratha, senior economist at the World Bank.

The benefits of migration go not only to industrial nations, he says, but also to developing countries, which now receive more than $165 billion annually in money sent home by workers abroad — much more than they receive in foreign aid. “Remittances reduce poverty because they generate direct income transfers to the households,” says Mr. Ratha. Household surveys in Uganda show that remittances to that country may have reduced poverty by 11 percent.

The question is whether it is better to promote or restrict the mobility of people seeking to migrate. Simply closing the door could have deeply troubling implications for the human rights of the people involved, might not be effective and would limit the benefits migration delivers for both receiving and sending countries, says Mr. Sriskandarajah of the US-based Institute for Public Policy Research. A better response, he suggests, is to start by recognizing that migration can be positive for those who move, for the societies they move to and for the societies they leave behind.
FOCUS ON AGOA

(Continued from page 7)

vulnerability, pity, and paternalism that sometimes implies, or as a political reward to corruption and irresponsible leaders, but as an investment in Africa's future.

Improving access to land, seeds and services to Africa's mostly women farmers. Under-investment in the rural areas and continuing discrimination against women in many countries - and by the IMF and World Bank and other international development agencies - have undermined agricultural production by small scale producers and weakened efforts to achieve food self-sufficiency.

AGOA must benefit the rural poor

One of the high points of the forum was the meeting of delegates to the forum from Africa and other participants with Congressional leaders and staff. This highlighted the importance of constant consultations and dialogue between the US and African sides. It underscored the need for periodic review of AGOA to evaluate what is working and what is not. The meeting concluded that too much attention was paid to the apparel sector, which is now shrinking under the impact of free trade, and not enough on more sustainable and pro-poor aspects of AGOA.

- A challenge was made to protect existing preferences for Africa from further erosion in global trade agreements and create more and better opportunities for African business in the global market.
- There was a call for an AGOA that focuses on building trade related infrastructure, reduces Africa's export dependence on a few raw materials, such as oil, and spreads the benefits of trade to farmers and others at the grassroots.

The debate at the forum and the meeting with legislators highlighted the need to monitor a number of pieces of legislation in Congress dealing with AGOA, including:

- HR 4319 Assistance for Small and Medium size Enterprises in Africa. (Smith and Lentos Bill)
- HR 5480 African Entrepreneurship Act (Jim McDermott)
- HR 5070 Trade Reference and Extension Act (Charles Rangel)
- HR 552 Making Appropriations, Export Financing, related Programs and other purposes ending FY Sept 30, 2007)
- HR — Making Appropriations for Agriculture, Food and Drug Administration ending FY 2006 (Henry Bosilica)

AGOA must benefit the 60 percent of the African population in the countryside if it is to succeed in reducing poverty and hunger. Americans have a big role to play in making sure that happens. The challenge for the Washington Office on Africa, and the US faith community as a whole is to capture the momentum of the forum and become a part of the debate, acting in solidarity and faithfulness with their sisters and brothers in Africa.