

# G8 fails to meet aid pledges to Africa

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British Prime Minister Tony Blair had hoped that the G8 summit to be held in Heiligendamm, Germany, in June would provide a booster shot to the campaign hailing his supposed “legacy” before leaving office. He is to stand down as British prime minister in June.

Blair created an Africa Commission, and at the G8 summit held in Scotland in 2005, he won commitments from the assembled heads of state to increase aid and debt relief to some of the world’s poorest nations, which includes most sub-Saharan African countries.

The 2005 G8 summit was to be the culmination of a campaign by Non-Governmental Organisations (NGOs) and church groups to “Make Poverty History.” The campaign was fronted by the rock musicians Bob Geldof and Bono. Geldof’s assessment at the summit’s end was “10 out of 10” on aid relief and “8 out of 10” on debt relief. Blair declared that “great progress had been made.”

The communiqué issued by the G8 countries following the 2005 summit in Gleneagles, Scotland, stated, “There are now just ten years...to meet the goals agreed at the Millennium Summit in 2000. We should continue the G8 focus on Africa which is the only continent not on track to meet any of the goals of the Millennium Declaration by 2015.”

Many of the commitments have been reneged on or only partly met. The *Guardian* ran a report of the recent meeting of the so-called sherpas in Berlin—G8 officials who meet to prepare the summit proper. According to the 16 May *Guardian* article, British delegates who raised the question of aid budgets were met with little sympathy. The report quotes a Russian sherpa saying, “We only made those promises because we felt sorry for Tony Blair after the terrorist attacks on 7/7.” This was a reference to the bombings of a bus and tube trains in London, which had happened the previous day.

Bono has called for an emergency session to be held at the G8 summit to address the failure to meet the aid pledges. Speaking to the *Guardian*, he said, “It’s not just the credibility of the G8 that’s at stake. It’s the credibility of the largest non-violent protest in 30 years. Nobody wants to go back to what we saw in Genoa, but I do sense a real sense of jeopardy.”

Several reports recently published show the extent of the shortfall. One report is from the organisation established by Bono and Geldof, Debt AIDS Trade Africa, or DATA. The report’s aim is to put pressure on the G8. It states, “We hope that its findings will be taken to heart by Chancellor Merkel (of Germany) when she chairs the crucial session on Africa at the forthcoming G8 Summit in Heiligendamm.”

The DATA report monitors how the G8 countries are falling

short of the commitments it promised to deliver—\$25 billion a year in development aid by 2010. It notes:

“Collectively, the G8 are badly off track with their development assistance promise to Africa. In total G8 assistance to sub-Saharan Africa has increased by only \$2.3 billion since 2004, when it should have increased by \$5.4 billion over that period.... Concern is heightened by the small increases in aid that are in the pipeline for many G8 countries for 2007 and 2008. If G8 does not react quickly to get back on track with the needed scale-ups in assistance, the early successes...will be squandered....”

Regarding trade it adds, “the lack of global agreement and failure to focus on Africa mean that we can report no genuine progress...we must hold all G8 members accountable for this collective failing.”

A report issued by CONCORD, an umbrella organisation representing development NGOs based in Europe, analyses the aid programmes of European Union nations. The report is entitled “Hold the Applause.”

It states that the amounts promised by European governments do not match the amounts actually paid: “If European governments do not improve on current performance, poor countries will have received 50 billion Euros less from Europe by 2010 than...promised.” It accuses European government aid programmes of having “security, geopolitical alliances and domestic interests” as the main objectives.

The analysis shows 30 percent of the figure for aid claimed by European governments was not genuine aid. Amongst the methods used to inflate the aid figures is the inclusion of debt relief as aid. Another is to count cancellation of export credit debts as aid relief. As the report points out, export credits are used to support domestic companies seeking to do business in developing countries offering insurance against often very lucrative, if somewhat risky, ventures.

Another means of inflating aid figures is to include monies spent on refugees within Europe and money spent on educating overseas students within Europe. The report cites Organisation for Economic Co-operation and Development (OECD) figures showing the percentage of European aid going to Africa is actually falling. For 2004 it was 41 percent, and in 2005 it was 37 percent.

CONCORD also makes the point that “tied food aid is often linked to trade dumping of surplus food from donor countries.” A recent article in the *Observer* newspaper food magazine accused the American government of doing the same thing. It noted, “America’s food aid volumes increased massively (up to 20 percent of cereal production)...when prices in the US were depressed...but when domestic prices are high this figure falls to

just five per cent.”

A report by the development charity Oxfam is headlined, “The World is Still Waiting. Broken G8 promises are costing millions of lives.”

The report notes that two years since the Gleneagles G8 summit, “the unacceptable truth is that they are breaking their promises, with terrible consequences.” Oxfam calculates that shortfall in money promised equates to 1 million women dying in pregnancy or childbirth for the want of simple medical care and 21 million children under five dying because of extreme poverty.

Writing in the *Scotsman* in April, Jeffrey Sachs, director of the Earth Institute at Columbia University, New York, said, “The first year after the Gleneagles meeting, aid numbers were padded by misleading accounting on debt cancellation.... The data are now revealing the stark truth: development aid to Africa and to poor countries more generally is stagnant....”

Much was made of the debt cancellations announced at the 2005 G8 summit, and yet according to the Jubilee Debt Campaign using the latest information available, “The poorest 54 countries have debts totaling between US\$300 and US\$400 billion, whilst for the poorest 152 countries, it is over US\$ 2.5 trillion.”

They add, “The total external debt of the very poorest countries (the ‘low income countries’ which have an annual average income of less than \$875 per person) was US\$412 billion at the end of 2005. During 2005, these countries paid nearly \$43 billion to the rich world in debt service (payments of interest and principal)—that is \$118 million a day.”

The run up to the conference has seen the usual “generous” gestures. Bush has announced an extra \$30 billion to fight HIV/Aids. Bush set up the President’s Emergency Programme for Aids Relief (Pepfar) in 2003 with a budget of \$15 billion over five years. It is due to end in September. The new money will be allocated over the next five years. However, as a *Guardian* news article of May 31 noted, “Although Mr. Bush announced the \$30 billion, he has to ask Congress to find the money. With Iraq costing billions it will be hard for Congress to find the sum in an already over-stretched US budget.”

Also, by US law, at least a third of the spending must go to Christian organisations promoting abstinence and opposing the use of condoms. Dr. John Santelli from the public health school at the University of Columbia explained: “You can’t run a good programme if you are sending mixed messages. You advocated abstinence in one place and distribute condoms at a clinic nearby, and the US is funding both.”

Aditi Sharma, head of campaigns for Action Aid, the international anti-poverty agency, commented: “People living with HIV are tired of piecemeal promises and will accept nothing short of a long-term funding plan providing significant additional and predictable finances to achieve the goal of universal access to prevention, treatment and care by 2010.”

A recent Action Aid report noted that the G8 countries would need to treble amounts donated to AIDS treatment/prevention to achieve this goal. Sharma noted, “Even with [Bush’s] announcement, the US will fall short of its share.”

An open letter organised by the Universal Access Aids campaign, on behalf of more than 250 HIV relief and related

organisations, has been sent to the G8 leaders. In it they note, “UNAIDS estimates that the global AIDS response needs \$20-30 billion per annum, but on current commitments we are \$8 billion short in 2007 and \$10 billion short from 2008-2010.”

With Germany the current chair of the G8, Angela Merkel was under pressure to make some pronouncement. She has promised to increase development aid by 750 million euros a year over the next four years. Max Lawson of Oxfam said this was “not enough.” To reach Germany’s target of spending 0.51 percent of GDP on aid, its increase would need to be nearly double the proposed amount.

In April, the Africa Progress Panel (APP) was established. Amongst its leading personnel are Kofi Annan, former head of the United Nations, Michael Camdessus, former managing director of the International Monetary Fund and Bob Geldof. In a recent statement, it noted only 10 percent of the pledges made at the Gleneagles G8 summit had been fulfilled. Annan met with Merkel at the end of April. After the meeting, she commented, “We are going to take things up where Gleneagles ended...we don’t need to have more conferences and set more goals.”

The fact that G8 countries have fallen so far behind pledges of aid highlights the fraudulent character of their concern for poverty in Africa. The G8 countries do have a renewed interest in Africa, but what is developing is a new scramble for Africa’s resources. America has recently reorganised its military command structure in line with its growing strategic and resource interests in that continent. It is becoming increasingly dependent on African oil to meet its needs. The G8 finance ministers recently met in Germany ahead of the summit. A BBC News report noted, “Germany singled out China, which relies on access to raw materials to feed its fast-growing economy, as one of the biggest risks to mineral-rich Africa.”



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