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The New Politics of U.S. Aid to Africa

by Carol Lancaster

Something unusual and possibly important happened to U.S. aid to Africa in 1990. Congress increased the amount of bilateral economic assistance to Africa (which, in U.S. bureaucratic parlance, means the sub-Saharan area of the continent) by more than $200 million above the Bush administration's request.

This move warrants examination for several reasons: (1) Congress customarily appropriates less than the full amount of foreign aid requested by any administration. Except in the case of Israel and a handful of other programs with particularly strong domestic constituencies, appropriations are rarely increased above administration request levels. (2) The domestic constituency for aid to Africa has never been unified on priorities or particularly effective. (3) With the end of the Cold War, the geostrategic importance of African countries to the United States has diminished, and U.S. investment in and trade with the continent remain relatively modest.

What then, was behind the increases and what are the implications of these increases for the future shape of U.S. aid and engagement in Africa?

The Aid Decision Process

The final decision on U.S. aid amounts and recipients is the result of a long and complex political process that takes place every year. After months of negotiations within the administration on what aid levels to request from Congress (which is responsible for the separate processes of authorizing and funding foreign aid), a proposed aid budget for the coming fiscal year is submitted in late January for action by a number of congressional committees.

The federal budget is organized into numbered accounts. The overall amount for foreign aid (together with monies for the Export-Import Bank, the Overseas Private Investment Corporation, and contributions to multilateral institutions such as the World Bank and UN organizations) is part of the "150" budgetary account.

The House and Senate budget committees normally set a cap on expenditures and outlays in the "150" account. In recent years, appropriations in that account have been protected from the deep cuts made in defense and domestic spending programs, in large part because "150" programs are relatively small in size (totaling around $15 billion per year, or less than 2 percent of the total federal budget). In addition, many in Congress and the administration have believed that aid could not be cut more deeply without compromising U.S. foreign policy interests. The budget committees agreed in 1990 that the cap on foreign aid could rise with inflation in fiscal years 1991 and 1992, allowing a small increase in total expenditures in FY 1991 and possibly in FY 1992. (We are now in FY 1991,

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which ends September 30, 1991.)

In theory, at least one congressional committee in each house is supposed to authorize the foreign aid program—the Foreign Affairs Committee in the House of Representatives and the Foreign Relations Committee in the Senate. It has been years, however, since these committees have both been able to move a foreign aid authorization bill to the floor of the House and Senate for final action. (In 1990, the House passed an authorizing bill, but Senate Foreign Relations Committee chairman Claiborne Pell reportedly failed even to obtain the quorum of committee members necessary to work on an aid bill.) As a result, the bills acted on each year by the House and Senate appropriations committees have taken on increased importance, establishing not only the level of aid programs but also policies guiding those programs.

Once the budget committees have set the cap on the "150" account, the Foreign Operations subcommittee of the House Appropriations Committee holds hearings to examine the administration's aid requests. The subcommittee then meets to "mark up" the aid bill (that is, to make whatever changes its members agree are needed). After modifications by the subcommittee, the bill is then sent to the full Appropriations Committee. Here it is discussed, amended, voted upon, and then sent to the House floor for further debate, amendment, and a vote. Once the House Appropriations Committee has acted, the Foreign Operations subcommittee of the Senate Appropriations Committee begins its hearings, markup, and voting, following the same sequence as the House. When both houses have passed versions of an aid bill, a conference is called to negotiate on the differences between the bills and then send the final bill back to the two houses for a last vote. Once the bill is passed by both houses, all that is needed to enact it into law is a presidential signature.

The New Role of the Black Caucus

The largest program for U.S. bilateral economic assistance to Africa is the Development Fund for Africa (DFA), providing for grants and loans primarily to finance projects and imports in support of development in Africa. Other sources include food aid and Economic Support Fund monies (the latter usually providing balance-of-payments support to countries where the United States has security interests).

In 1990, as Congress began its annual discussions of foreign aid, the 20-member Congressional Black Caucus voted (18 in favor, 2 against) to press for the appropriation of $1 billion in 1991 DFA monies for Africa, a substantially larger amount than the administration's request of $560 million. Several factors provoked this move: (1) There was growing concern among Black Caucus members that the Bush administration was quietly disengaging from Africa and that competing demands for aid elsewhere in the world would eventually eat further into Africa's already small share. (2) The death in a plane crash in Ethiopia in 1989 of Congressman Mickey Leland (who had been particularly concerned about poverty in Africa) inspired members of the Black Caucus to honor his memory by pressing for increased aid to the continent. (3) The African issue that had most absorbed Black Caucus attention and energies in previous years—the imposition and maintenance of sanctions against South Africa—had become less galvanizing. The legislation enacted by Congress over presidential veto in 1986 (the Comprehensive Anti-Apartheid Act [CAAA]) remains the most severe sanctions package imposed by any major power, and pending proposals for new action on South Africa were at least temporarily sidelined with Nelson Mandela's release from prison in early 1990 and the subsequent opening of talks between the government of President F.W. de Klerk and the African National Congress aimed toward negotiations on basic changes in the country's governance.

In contrast with the lead-up to enactment of the CAAA in 1986, it was largely the concerns of Black Caucus members themselves rather than constituent pressures that were behind their 1990 efforts to bolster aid to Africa. Economic assistance to the continent has not been an important political issue in their home districts except when disasters (e.g., the Ethiopian famine of the mid-1980s) receive major television coverage.

Key Black Caucus members reportedly approached House Speaker Thomas Foley (who has considerable influence over budgetary as well as appropriations issues) on this matter. The speaker took the matter up with Chairman David Obey of the Foreign Operations subcommittee of the House Appropriations Committee. After negotiations and some acrimonious exchanges between Congressmen Obey and William Gray (a member of the Black Caucus), Obey agreed to support an increase in the DFA account to $800 million for 1991 and to support a further increase in DFA aid to $1 billion for 1992.

Roadblocks Ahead?

Although Congress eventually agreed on the $800 million figure for 1991, achievement of the $1 billion target for 1992 is far from certain. Present indications are that the

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administration is likely to submit a 1992 Africa aid request closer to its original 1991 request than to the amount actually appropriated for that year, and far below $1 billion.

Among the factors that could interfere with realization of the $1 billion target for 1992 is the likelihood of increased budgetary strictures arising from a mushrooming federal deficit, now expected to reach an unprecedented $400 billion in 1991. Meanwhile, some of whatever foreign aid funds are available may be diverted to meet costs associated with the war in the Gulf incurred by Israel and other countries.

It is also possible that the focus of Black Caucus members could shift to other issues. If, for example, proposals to ease or eliminate sanctions against South Africa were presented in Congress during the coming year, specifics of the sanctions issue would probably once again be accorded priority. And new legislation on civil rights may compete for Black Caucus attention.

New Rationales for Old

The traditional twofold justification for U.S. foreign aid has been to contain Soviet influence and to promote development in Third World countries.

For several decades, U.S. aid to Africa was motivated primarily by geopolitical interests. Aid levels rose at the beginning of the 1960s, for example, when Washington was concerned about the Soviet role on the continent once African countries became independent. By 1963, it was becoming clear that this threat had been overrated. Soviet diplomacy had experienced setbacks in a number of instances and Moscow had been effectively excluded from a key country—the Congo (now Zaire). With the narrowing of Soviet-African linkages, together with the death of President Kennedy and growing U.S. involvement in the Vietnam War, aid to Africa dropped dramatically. Aid levels began to rise again only in the latter half of the 1970s, when Soviet relations with Angola and Ethiopia became a matter of increasing concern.

Although Cold War competition did not determine how U.S. aid was used (a choice influenced largely by whatever development doctrines were prevailing in Washington at a given time), it did have a major impact on the overall amount of U.S. aid to Africa and on the distribution of assistance by country. This contrasted with the policies of Canada, the Scandinavian countries, and even Britain and Germany, whose distribution decisions have often led rather than followed diplomacy. For middle-rank nations whose economic or political interests in much of Africa were not sufficient to justify establishing an extensive diplomatic presence, it was often their aid programs that led them to decide where to establish diplomatic missions.

The ebbing of the Cold War has all but eliminated a key rationale for U.S. aid. Meanwhile, two completely different rationales for foreign aid appeared to be emerging by the end of 1990: (1) that aid should be used to promote "core values" (usually defined as democratization); and (2) that aid should be used to promote U.S. exports.

The Democratization Carrot

The emphasis on "democratization" as a criterion for U.S. aid to African countries coincides with a growing emphasis by the World Bank on the need for improved "governance" in the region. These two goals have some similarities but are not identical. "Democratization" is essentially an extension of the U.S. concern with human rights and aims at encouraging freedom of the media, freedom of assembly, multipartyism, open political contests, fair elections, etc. "Governance" is far more modest in its goals and prescriptions. Priority is given to removing political obstacles to structural adjustment programs and renewed growth. The emphasis is on accountability, transparency, predictability, and the rule of law in government, not on the prescription of specific political structures.

The notion of aid in support of "core values" has been advocated by various administration officials and members of Congress. When this issue first surfaced in 1989, U.S. Assistant Secretary of State for African Affairs Herman Cohen even went so far as to identify multiparty democracy in Africa as a likely condition of future U.S. aid to Africa. More recently, the administration has become less prescriptive about what form "democracy" should take and appears still to be working out a formulation of its policy.

A policy of conditioning U.S. aid on progress toward democratization in Africa would give rise to a number of complications:

- If the governance criteria were extensive, explicit, and seriously enforced, the number of eligible recipients in Africa could be limited. To the list of former recipients not receiving U.S. aid today (Liberia, Sudan, Somalia, Ethiopia) might be added Zaire, Kenya, Malawi, Mauritania, Cameroon, Ghana, Togo, and possibly a number of others.
- The United States (as is already the case with other bilateral and multilateral donors) would have to make diplomatically sensitive public judgments as to whether particular African governments are complying with "democratization" or "governance" criteria. If aid were tied to democratization, any determination to cut aid to an African country in response to political conditions would likely be followed by a deterioration in Washington's relations with that country's government. But if it were clear that democratization was not progressing and the United States failed to cut its aid, the entire policy would lose credibility (a major problem that plagued President Carter's human rights policy). Policies based on principles cannot be compromised in specific cases without the entire policy being regarded at home and abroad as hypocritical.
- How would Washington respond in cases where an autocratic government is implementing needed and often stressful economic reforms but is not moving toward democratization? To which policy objective should the United States give highest priority—economic liberalization or political liberalization? And could political liberalization undermine economic liberalization in certain situations? In Ghana, for example, the Rawlings government has since 1983 been implementing the broadest and most sustained structural adjustment program in Africa, but one that has involved painful economic changes for many Ghanaians. In large measure because of the reforms, the government is generally regarded as having a declining constituency among

the general populace. Some analysts predict that, if elections were held tomorrow in Ghana, both Rawlings and his economic reforms could be rejected.

None of this is to argue that better governance should be excluded from U.S. policy goals in Africa. But policymakers who seek to make it a priority should be aware of the choices that will arise and the difficulties to be confronted in implementing such a policy. On a more positive note, it can be argued that the political changes in the world and the decline in U.S. strategic interests in Africa make it politically easier for the United States to pursue such a policy now than at any previous time. We can disengage from Zaire or Kenya or distance ourselves from the civil wars in Liberia, Sudan, and Somalia without worrying about the Soviet Union gaining (or even wanting to assume) anything like our influence or support role.

Priming the Exports Pump

The second emerging aid rationale—using aid to promote commercial exports—was highlighted in 1990 with the introduction of a bill by three of the Senate's most influential members (David Boren, Lloyd Bentsen, and Robert Byrd) that would allocate 40 percent of U.S. bilateral aid to construction projects abroad tied to the procurement of goods and services in the United States. (The current comparable figure is 7 percent.) This 40 percent would be phased in over four years, with a target of 15 percent for the first year. Although the bill was not passed by the Senate in 1990, the fact that it had considerable support from key senators (and will gain even more support if the recession deepens) suggests that it will probably pass in some form in the near future.

Interestingly, the driving force behind the bill apparently came from within the senators' own staff, rather than from pressure by would-be U.S. exporters. Indeed, the corporate community reportedly was unaware of the bill. What may be happening here is that the less than energetic approach of the Senate Foreign Relations Committee is encouraging senators on other committees to think creatively about how foreign aid might advance policies they see as important.

It is significant that Senator Byrd, chairman of the powerful Senate Appropriations Committee, was a cosponsor of the aid-for-exports bill. If the Senate Foreign Relations Committee takes no action on the bill or fails again to move forward to the floor a foreign aid authorization bill, Senator Byrd could write the provisions of the aid-for-exports bill into aid appropriations legislation when the full Senate Appropriations Committee considers the foreign aid appropriations bill.

It can be argued that an aid policy focused on expanding exports could conflict with existing policies of using aid to promote structural adjustment, grass-roots development, and poverty alleviation. Attractive construction projects are likely to be in the better-managed, better-off countries and to be large and technologically intensive (e.g., railway construction, hydroelectric dams, telecommunications, seaports, airports), absorbing substantial amounts of aid monies.

What Next?

As indicated by these developments and trends, policy regarding U.S. bilateral economic assistance to Africa is confused at present. The involvement of the Congressional Black Caucus in the African aid issue is perhaps the most interesting new development. It is also relevant that the influential lobbying organization TransAfrica has entered the aid picture in a big way for the first time and is working closely with Black Caucus advocates.

Given the relaxation in East-West geopolitical tensions, the U.S. diplomatic focus on Africa is in sharp decline, a trend that, considered in isolation, would seem to presage an eventual decline in aid and broader U.S. disengagement from the region. If domestic pressures were to force an increase in aid to Africa, however, U.S. policies in the region could begin to resemble those of the smaller external actors, with aid in effect leading U.S. diplomacy rather than the reverse. Over time, assuming limited and declining economic and geopolitical interests in the continent, effective and sustained domestic pressures for increased bilateral development assistance may provide the only basis for a continued U.S. engagement throughout much of the region. This is the most important implication of the upsurge of a new aid constituency in the Washington policy community.

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