"Africa's Strategic Importance to the U.S." Speech at Reed College

March 20, 2006 Susan E. Rice

Good evening. I want to begin by thanking Dawn Teele and Professor Paul Gronke for bringing me here as well as the Oregon World Affairs Council and, especially, the sponsors of the Munk-Darling lecture series.

I am truly honored by the invitation to Reed College and grateful for your warm welcome. I've been privileged to spend much of my day here with Reed students and am thoroughly impressed by this unique and remarkable place. I am looking forward now to spending some time with you discussing what I hope you will agree is an important topic.

First, allow me to extend greetings from that strange and rarified place, Washington, D.C. Now, Washington is actually my hometown, and I love it. But, I am sad to say that, though I am not so old, even in my lifetime, so much there has changed. In the last fifteen years, and even more so in the last several, Washington has become incredibly polarized. Partisan rancor is at an all time high. True states-men and women, the venerable work-horses of Congress, are few and far between. Effective congressional oversight is almost an oxymoron.

Yet, in other ways, not enough has changed. Those of us who care about Africa must lament that, in the hierarchy of national security priorities, conventional wisdom still places Africa near the bottom. Some Members of Congress, regrettably, deem assignment to the Africa subcommittee as "drawing the short straw." Sometimes, the most ambitious Foreign Service officers prefer postings to Europe or Asia or the Middle East over Africa. So, along with others, I labor to try to change the perception that Africa matters only marginally. I do so, because such ignorance is not just shameful. It's dangerous.

Africa: An American Concern?

In some quarters, there is, in fact, growing awareness of Africa. Among religious communities, especially those with ministerial links to the continent, there is increased focus on Africa's relative privation, disease burden, and the genocide in Darfur. The "One Campaign" to "Make Poverty History" and the

Live-8 concert series galvanized some students, celebrities and activists, briefly bringing greater media attention to Africa. African-American leaders, moved by the direct ties of more than 30 million Americans to Africa, have long provided the core political support for intensified U.S. engagement with Africa. What unites these diverse groups is the profound conviction that the peoples of Africa deserve better lives and more U.S. support to build them. Such moral and humanitarian imperatives will likely continue to drive grassroots American attention to Africa.

There are additional reasons for Americans to perceive a direct stake in Africa's success. One is economic. Africa supplies over sixteen percent of our imported crude oil. Within the next decade, it is estimated that twenty-five percent of our imported oil will come from Africa, surpassing the Persian Gulf region. Africa harbors vast mineral deposits that rival only those of our own continent – accounting for nearly half of the world's production of bauxite, chrome and diamonds, more than half of its cocoa and platinum, and nearly three quarters of its cobalt.

Roughly 10% of U.S. GDP derives from exports, and over 40% of U.S. exports now go to the developing world. Four out of every five new consumers come from the developing world. Soon one billion of them will live on the African continent. In recent years, we have exported 45 percent more to Africa than to all the states of the former Soviet Union combined, including Russia, and almost twice as much as to India with its one billion people. Already, over one hundred thousand U.S. jobs are tied to exports to Africa. Africans buy at more than \$8 billion worth of American products annually. Yet, the United States' share of the African market is small -- approximately 6 percent -- suggesting significant growth potential for U.S. entrepreneurs and workers.

Apart from our economic interests, the United States also has a significant security stake in Africa. But, many Americans – from the average citizen to our lawmakers – may figure: the Cold War is over; the Soviet Union is long gone from Africa. Apartheid has ended, and black majority rule in South Africa hasn't wrought what many Cold Warriors feared. What could be our remaining strategic interest in Africa? Besides, how could a continent hobbled by poverty, disease, conflict and corruption be of any consequence to U.S. national security? As many of you surely appreciate, it is precisely *because* of its relative poverty, the prevalence of conflict, and the weakness of many states that Africa — like other poor and remote parts of the world — poses serious challenges to U.S. national security.

Poverty, Weak States and Transnational Security Threats

Today, more than half the world's population subsists on less than \$2 dollars per day, and almost 1.1 billion people live in extreme poverty, defined as less than \$1 dollar per day. The costs of global poverty are multiple. Poverty dramatically increases the risk of civil conflict, and war zones provide ideal operating environments for international outlaws. Poverty erodes weak states' capacity to control their territory and resources, creating vacuums easily exploited by transnational criminals and terrorists. Poverty impedes poor countries' ability to detect or contain deadly disease, and it undermines their ability to protect the world's forests and watersheds.

If in the "old days" the consequences of extreme poverty could be confined conveniently to the far corners of the planet, it is no longer the case. The end of U.S.-Soviet competition, the civil and regional conflicts that ensued, and the rapid pace of globalization have brought to the fore a new generation of dangers. These are the complex nexus of transnational security threats – infectious disease, environmental degradation, international crime and drug syndicates, proliferation of small arms and weapons of mass destruction, and terrorism. Often these threats emerge from impoverished, relatively remote regions of the world. They thrive especially in conflict or lawless zones, where corruption is endemic, and in poor, weak states with limited control over their territory or resources. The map of vulnerable zones is global – ranging from parts of the Caribbean, Latin America and the Middle East to Central Asia and the Caucasus, from Central, South and East Asia to, of course, Africa. Fifty-three countries have an average per capita GDP of less than \$2 per day. Each is a potential weak spot in a world in which effective action and cooperation among states everywhere is necessary to combat transnational threats.

Americans can no longer realistically hope to erect the proverbial glass dome over our homeland and live safely isolated from the killers – natural or man-made – that plague other parts of the world. For instance, the risk of the spread of communicable diseases has vastly increased as people and cargo now traverse the globe with unprecedented speed and frequency. More than two million people cross an international border each day. Forty million travelers left the United States in 1994 as compared with 20 million in 1984. Half these Americans made trips to the more disease-prone tropics, raising the risk that they will return to the United States with contagious illnesses.

At least 30 new infectious diseases have surfaced globally in the last three decades, while 20 previously detected diseases have re-emerged in new drug-

resistant strains. Avian flu, HIV/AIDS, SARS, Hepatitis C, dengue fever, and West Nile virus are just a few of the newly discovered diseases that have spread from the developing world to the United States or other developed countries. In the United States, the number of deaths due to infectious disease doubled to 170,000 between 1980 and 2000.

Poverty contributes substantially to the <u>outbreak</u> of infectious disease. As the search for clean water and firewood drives impoverished people deeper into forested areas, the risk of animal contact and exposure to new pathogens increases. By spurring population growth, contributing to immune-compromising malnutrition, and exacerbating crowding and poor living conditions, poverty also fuels the <u>transmission</u> of disease. Almost two million people will die this year of tuberculosis and another nearly 4 million from lower respiratory infections, most of whom live in poor, crowded parts of the developing world. These communicable diseases are mutating dangerously and spreading to other regions. Antibiotic-resistant TB, for example, is resurgent in the United States, especially among immigrant populations.

Health experts' most alarming predication is that the H5N1 strain of avian flu will soon evolve into a virus easily transmitted from human to human. We have recently witnessed the difficulty Turkey, a middle-income country, has had containing its outbreak of avian flu. The discovery of the virus in Nigeria, Niger and Cameroon highlights the particular danger of the disease spreading further in impoverished parts of Africa and Asia, where poor, rural people live in close proximity to animals and depend on those animals to subsist. In such places, farmers have few incentives to cull their animals and may instead chose to dump infected poultry on the market. As the disease spreads, the risk of mutation increases.

The World Health Organization's conservative estimate is that an avian flu pandemic involving human-to-human transmission could kill between two million and 7.4 million people around the world. An additional 1.2 *billion* could fall sick and over 25 million could require hospitalization. The worst-case estimate is that sixty million could die, exceeding the more toll of the great influenza epidemic of 1918–19. Hundreds of thousands, if not millions of victims, would be American. The economic consequences for the U.S. could also be enormous, considering that SARS, which killed only 813 people, caused global losses estimated at \$30 billion.

The lack of adequate health-care infrastructure and surveillance capacity in poor countries hinders early detection and timely treatment of disease, while also reducing states' ability to halt its spread abroad. According to the WHO, low and middle-income countries suffer 90% of the world's disease burden but account for only 11% of its health care spending. Per capita spending on health in the West African country of Niger amounted to \$6 in 2001, compared with \$4,887 in the U.S. These disparities have potentially deadly consequences.

Like disease, environmental degradation is linked significantly to poverty in the developing world and could result in long-term adverse consequences for the United States. Much of the world's environmental stress can be attributed to population pressure. From 1950 to 1998, the world's population doubled. It has grown a further 14% in the last ten years to 6.4 billion. By 2050, global population is on track to reach 9 billion. This growth is coming disproportionately from the developing world. Poverty substantially fuels population growth, as families have more children in response to high infant mortality rates and the need to raise income potential.

Population pressure, in turn, increases pollution in watersheds and will reduce already-scarce global water supplies. By the mid-1990s, eighty countries containing 40 percent of the world's population faced serious water shortages, and 18 percent did not have safe drinking water. The United Nations estimates that two-thirds of the world could face significant water stress by 2025. Competition for scarce water resources could provoke future conflicts involving key American partners and even risk drawing in the U.S. Potential flashpoints include Israel and its neighbors, India and Pakistan, Turkey and Syria, Egypt and Ethiopia, and several countries of southern Africa.

Deforestation is accelerating in the developing world due to increased demand for fuel in the form of firewood and for arable acreage to enable growing populations to subsist in marginal areas. The loss of trees exacerbates desertification, which has spread to the extent that two billion hectares of soil, or 15 percent of the planet's land cover, is already degraded. Logging for trade in exotic African and Asian hardwoods magnifies the problem, contributing to the elimination of 2.4 percent of the world's forest cover since 1990. One result is reduced biodiversity, which alters delicate ecosystems and depletes the world's stock of flora and fauna that have produced important medical benefits for mankind.

Another is global warming. 2005 was the hottest year on record. While carbon dioxide emissions in rich and rapidly growing economies are the main culprit, desertification and deforestation can accelerate global climate change by reducing the availability of trees to absorb carbon dioxide. Moreover,

deforestation that results in the burning of firewood now accounts for 25 percent of annual global carbon dioxide emissions. Warming is already causing ice caps to melt, sea levels to rise, and perhaps seasonal storms to increase in intensity.

As temperatures rise in temperate climates, the transmission vectors for mosquito-borne and other tropical diseases will also change. New areas of the world, including our own, will face the possibility of once-tropical illnesses, like dengue fever, becoming prevalent, potentially afflicting large numbers of Americans who lack acquired immunity to such diseases.

The spread of disease and environmental degradation are just two of the potential challenges that global poverty poses to U.S. national security. Weak states hobbled by poverty often lack effective control over substantial portions of their territory and resources. Ill-equipped and poorly-trained immigration and customs officials as well as under-resourced police, military, judiciary and financial systems create vacuums into which transnational predators can easily move. Conflict, difficult terrain and corruption render weak states particularly vulnerable to transnational criminal syndicates, smugglers, and pirates such as those operating in lawless zones from the Somali coast and Central Asia to the Tri-border region of South America. Where ecological conditions permit, poverty also fosters ideal socio-economic conditions for drug production, as in the Andes, parts of Mexico, and South Asia. Where production is difficult, drug trafficking may still thrive, as in Nigeria and Central Asia. Not surprisingly, the drug couriers, the human slaves, prostitutes, petty thieves, and others drawn into global criminal enterprises often come from the ranks of the unemployed or desperately poor. Transnational crime syndicates reap billions each year from illicit trafficking in drugs, hazardous waste, humans, endangered species, and weapons – all of which reach American shores.

Finally, poverty contributes, <u>indirectly but significantly</u>, to transnational, anti-U.S. terrorism perpetrated by sub-state actors such as Al Qaeda. There remains much debate over whether poverty causes individuals to become terrorists. Some analysts argue that the 9/11 hijackers were predominantly middle class, educated Saudis, so poverty cannot bear any meaningful relationship to terrorism. Others note that the poorest are struggling merely to survive and have no capacity to plan and execute terrorist acts. A commonly cited study by Alan Krueger and Jitka Maleckova concludes there is "little direct connection between poverty or education and participation in terrorism." Yet, their analysis is unconvincing in several respects. First, it extrapolates data on Palestinian terrorists and traditional crime rates in several countries to draw conclusions about terrorism writ large, including transnational, anti-U.S. jihadi

terrorism. Second, contrary evidence undermines the argument that socioeconomic conditions are unrelated to the recruitment of terrorist foot soldiers, if not leaders.

Poverty, vast income disparities, joblessness, and lack of hope may engender sufficient levels of fatalism among some groups (perhaps especially educated, but under-employed youth) to render them vulnerable to recruitment by radical groups. In the greater Middle East region, the emergence of a youth bulge in the 1970s was followed by the rise of political Islam. Many Middle Eastern countries suffer from high unemployment rates, an exploding labor force and stagnant real wages. For several years, Saudi Arabia, home to several 9/11 hijackers, experienced rapidly declining GDP. University of Maryland researchers have found that countries with low income, low life expectancy and a large male youth bulge are more likely to experience terrorism.

However, the primary flaw in the conventional argument that poverty is unrelated to terrorism is its failure to capture the *range* of ways in which poverty can exacerbate the threat of transnational terrorism -- not at the individual level - but at the state and regional level. Poverty bears <u>indirectly</u> on terrorism by sparking conflict and eroding state capacity, both of which create conditions that can facilitate terrorist activity.

Oxford University economist Paul Collier finds that "if a country's per capita income doubles, its risk of conflict drops by roughly half." A country at \$250 GDP per capita has an average 15% risk of internal conflict over five years, while a country at \$5,000 per capita has a risk of less than 1%. Conflict zones not only cost lives, they can incubate virtually every type of transnational security threat by creating the optimal anarchic environment for external predators. Al Qaeda established training camps in conflict-ridden Sudan and Afghanistan, purchased diamonds from Sierra Leone and Liberia, and now target American soldiers in Iraq. While low per capita income increases the likelihood of civil conflict, conflict zones, in turn, have been exploited by terrorists to lure foot soldiers and train new cadres, as in Bosnia, the Philippines and Central Asia.

In extreme cases, conflict results in state failure as in Somalia and Afghanistan. When states collapse, the climate for predatory transnational actors is improved exponentially. Economic privation is an important indicator of state failure. The CIA's State Failure Task Force found that states in which human suffering is rampant (as measured by high infant mortality) are 2.3 times more

likely to fail than others. While poor economic conditions are not the only major risk factor for state weakness and failure, they are widely understood to be an important contributor along with partial democratization, corrupt governance, regional instability and ethnic tension.

Even absent conflict, poverty at the country level, particularly in states with significant Muslim populations, may enhance the ability of jihadist terrorists to operate. Poor countries with limited institutional capacity to control their territory, borders and coastlines can provide safe havens, training grounds, and recruiting fields for terrorist networks. By some estimates, 25% of the foreign terrorists recruited by Al Qaeda to Iraq have come from North and Sub-Saharan Africa. To support their activities, networks like Al Qaeda have exploited the terrain, cash crops, natural resources and financial institutions of low-income states from Mali to Yemen. Militants have taken advantage of lax immigration, security and financial controls to plan, finance and execute operations in Kenya, Tanzania and Indonesia. Al Qaeda is now believed to have extended its reach to approximately 60 countries worldwide.

Country-level poverty may also weaken state capacity to provide essential human services and thereby render states more vulnerable to exploitation by terrorist networks. In low-income countries, social and welfare services are often inadequate, creating voids in education and health that may be filled by radical NGOs or madrassas. In Indonesia, the Sahel and Bangladesh, for example, international Islamic charities are closing the welfare gap. In Pakistan and Egypt, radical groups offer social welfare services that governments fail to provide. In the Palestinian territories, Hamas' stunning electoral victory was due in part to its superior provision of social services. Terrorist networks often use legitimate and illegitimate charities as fronts to garner popular support.

Breaking a Doom Spiral

In sum, poverty plays a complex and dual role in facilitating the emergence and spread of transnational security threats. First, poverty substantially increases the risk of conflict, which in turn affords especially fertile breeding grounds for such threats. Second, poverty, more indirectly, can give rise to conditions at the local or state level that are conducive to each of these transnational threats. Beyond degrading human security, poverty can severely

erode state capacity to prevent or contain such threats, each of which can create such adverse conditions within and beyond state boundaries that poverty is, in turn, increased. Thus, a downward spiral or extreme doom loop is set in motion, in which poverty fuels threats that contribute to deeper poverty, which intensifies threats.

Discerning and disaggregating this dangerous dynamic is essential to grasping the national security rationale for far greater U.S. action to reduce global poverty. Yet to some, the investments and policy changes required of the United States to make meaningful progress appear unaffordable and, to others, undesirable. For example, to devote the much-vaunted 0.7% of our national income to overseas development assistance would cost about \$80 billion annually, a great sum in an age of rampant deficits -- approximately equivalent to the cost of the 2002 Farm Bill, the latest supplemental appropriation for Iraq, or almost one-fifth of the defense budget. Moreover, opening U.S. markets to goods from least developed countries may cause further short-term job loss in sensitive sectors in the United States. Given conflict, corruption and fragile states, would more assistance to developing countries not simply be pouring "money down a rat-hole?"

Increasingly, there is convincing evidence that foreign aid can make a crucial difference especially in countries lacking resources to jump-start rapid economic growth. In Taiwan, Botswana, Uganda and Mozambique, foreign assistance helped build the foundation for development. The Center for Global Development finds that, irrespective of the strength of a country's institutions or the quality of its policies, certain aid flows have strong pro-growth effects, even in the short-term. Not only is aid often beneficial, on balance, but its effectiveness has also improved since the 1980s.

Based on recent donor commitments, the OECD now estimates that overall overseas development assistance (ODA) flows to developing countries will increase by \$50 billion by 2010. Sixteen of the world's twenty two major donor countries have pledged within a decade to devote 0.7% of their gross national income (GNI) to ODA. The major outlier is Washington. President George W. Bush has ruled out raising the United States from the current 0.16% of per capita GNI spent on ODA (second to last among OECD donors) to the Monterrey target of 0.7%.

On the eve of the G-8 Summit, President Bush pledged to double aid to Africa by 2010, but relatively little of that additional \$4 billion represents new

money. Rather, the President can meet this goal simply by keeping his as yet unfulfilled promises to fully fund the Millennium Challenge Account and his HIV/AIDS initiative. Overall, the U.S. pledge toward the G-8 goal is small compared to Europe's and falls well short of the customary U.S. contribution to multilateral funding instruments of at least 25%.

Partial debt cancellation and relatively modest aid increases to Sub-Saharan Africa seem to mark the current limit of the Bush Administration's will to achieve the UN Millennium Development Goals (MDGs). Meeting the MDGs would lift more than 500 million people out of extreme poverty and allow over 300 million to live without hunger by 2015. It would also enable universal primary education and reduce by two-thirds mortality rates for children under five.

In reality, however, it will take much more than large, well-targeted aid flows to "make poverty history." The most important ingredients are improved economic policies and responsible governance in developing countries. Yet those alone will not suffice. Developed countries will need to drop trade distorting subsidies, further open their markets, encourage job creating foreign investment, cancel more debt, combat infectious disease, prevent and resolve conflicts, and assist the recovery of post-conflict societies.

For the United States to meet this challenge, it will require a near tectonic shift in our national security policy. Policy and law-makers must come to view transnational security threats as among the foremost of our potential enemies. They must then embrace a long-term strategy in partnership with other developed countries to counter these threats, based on the imperative to strengthen weak states' legitimacy and capacity to control their territory and fulfill the basic human needs of their people. This strategy must be built on the twin pillars of promoting sustainable democracy *and* development. Finally, the President and Congress must commit the resources to finance this strategy and see it to fruition. While it will be expensive and perhaps unpopular to do so, Americans will almost certainly pay more dearly over the long term, if our leaders fail to appreciate the risks and costs to the U.S. of persistent poverty in Africa and throughout the developing world.