



PRESIDENTIAL PLATFORM

ABOUT THIS PLATFORM

ONE Vote '08 is an unprecedented campaign to engage and energize U.S. presidential candidates and the American electorate to respond to global disease and extreme poverty around the world. ONE Vote '08 will harness widespread public support around these issues — from churches to college campuses — and garner commitments from candidates to support and fund concrete, affordable solutions should they win in 2008.

ONE Vote '08 is a product of The ONE Campaign, a grassroots movement driven by a broad coalition of more than 100 charitable groups and more than 2 million Americans to fight extreme poverty and global disease through increases in effective assistance, debt cancellation and trade reform.

ONE Vote '08 supports achievable solutions that — if championed by the next U.S. president — could have a profound impact on the poorest people in the world. Our platform is built on the foundation of the Millennium Development Goals (MDGs) agreed to in 2000 by the United States and 188 other nations to support poverty reduction and development by 2015. ONE Vote 08 focuses on five achievable goals: combating HIV/AIDS, tuberculosis, and malaria; improving child and maternal health; increasing access to universal basic education; providing access to clean water and sanitation; and combating hunger. These goals are fully costed, proven and achievable, and can achieve rapid impact on the ground. If undertaken comprehensively, these cost-effective solutions could have far-reaching impacts on overall poverty reduction.

A clear commitment to respond to disease and poverty around the world in a comprehensive manner, as outlined in the ONE Vote '08 Presidential Platform, would mark a bold step forward in U.S. global leadership. Such a commitment would assert moral leadership while saving millions of lives, sustaining livelihoods and laying the foundation for future growth in poor countries. It is also an essential security and economic investment in our own interconnected future.

Towards a More Humane and Secure World: Five Achievable Goals in the Fight Against Extreme Global Poverty

- 1. Save 15,000 lives a day by fighting HIV/AIDS, tuberculosis and malaria, three of the world’s most devastating diseases3
- 2. Prevent 5.4 million young children from dying each year from poverty-related illnesses and prevent 400,000 women from dying in childbirth each year.....6
- 3. Provide free access to a quality primary education for 77 million out-of-school children, with a special emphasis on girls.....9
- 4. Improve the living conditions of vulnerable populations by, for example, providing access to clean water for 450 million people and basic sanitation to more than 700 million people.....11
- 5. Reduce by half the number of people in the world who suffer from hunger, resulting in 300 million fewer people going hungry each year.....13

Three Tested and Proven Tools for Fighting Poverty

- 1. Additional and more effective poverty-focused development assistance.....15
- 2. Debt cancellation for qualified poor countries.....18
- 3. Trade and investment that let poor people earn resources for development.....20

Methodology.....23

HIV/AIDS, Tuberculosis and Malaria

***The Goal:** To halt and begin to reverse the spread of HIV/AIDS, tuberculosis and malaria, three preventable, treatable diseases that are devastating entire communities and economies. Through the G8 process, global donors further agreed to provide as close as possible universal access to HIV/AIDS prevention, treatment and care by 2010*

***Net Result If Achieved:** Approximately 15,000 lives saved every day*

Background

HIV/AIDS killed almost 3 million people in 2006. In addition, tuberculosis (TB) kills another 1.6 million people each year and malaria claims the lives of at least 1 million people every year, most of them children in Africa. These global pandemics affect the poorest of poor people disproportionately. Africa is the hardest-hit continent in terms of HIV/AIDS and malaria: the number of people who die every single month in Africa from AIDS and malaria is greater than the total number of people killed in the 2004 Asia-Pacific tsunami. In addition to those who die are those left behind. There are 12 million AIDS orphans in Africa today, and that number is expected to climb to 18 million by 2010.

The human impact is undeniable, but the economic impact is also severe, and measurable. Poor countries are losing their teachers, doctors and nurses; businesses are losing their workers; governments are losing their civil servants; and families are losing their breadwinners. Some estimates suggest that annual GDP growth rates in countries with high incidences of HIV/AIDS can be 2–4% lower than in countries with low incidences of the disease. It is estimated that malaria — an entirely preventable and treatable disease — costs Africa \$12 billion in lost economic growth each year.

The good news is that these diseases are preventable and treatable using proven, cost-effective strategies:

- Antiretroviral (ARV) medication used to treat people living with HIV/AIDS costs as little as \$140 per patient per year, down from nearly \$10,000 per year less than 10 years ago.
- Standard TB can be fully cured with an effective six- to eight-month course of treatment that costs as little as \$16 per person and that has a success rate of up to 80% in the poorest countries.
- Malaria can be all but eliminated by means of four highly successful interventions: insecticide-treated bed nets, indoor residual spraying, preventative treatment for pregnant women and treatment for those already infected. It costs as little as \$2 to purchase the most effective malaria treatments, known as ACTs (artemisinin-based combination therapies), and a bed net to prevent infection can be purchased for \$5.

Current Situation

The U.S. has led in the fight against these three diseases through bilateral interventions, such as the President's Emergency Plan for AIDS Relief (PEPFAR) and the President's Malaria Initiative (PMI), as well as through multilateral programs such as the Global Fund to Fight AIDS, Tuberculosis and Malaria. The U.S. currently contributes 50% of global resources to fight AIDS and has provided nearly one-third of all resources for the Global Fund.

PEPFAR, PMI and the Global Fund

The President's Emergency Plan for AIDS Relief (PEPFAR) is a five-year, \$15 billion initiative to combat HIV/AIDS globally. Its goals are to reach 2 million people with life-saving antiretroviral (ARV) drugs, prevent 7 million new infections and provide care to 10 million people affected by the disease in 15 of the hardest-hit countries in Africa, the Caribbean and Asia. After 3 years of implementation, PEPFAR has dramatically changed the AIDS treatment landscape. In the 15 focus countries, U.S. bilateral programs have:

- Supported ARV treatment for approximately 1.1 million people
- Provided care for more than 1.2 million orphans and vulnerable children
- Provided counseling and testing for nearly 13.6 million people
- Supported prevention of mother-to-child transmission services for over 4.5 million pregnancies.

The President's Malaria Initiative (PMI) is a five-year, \$1.2 billion initiative to fight malaria in 15 focus countries in Africa. In 2006, its first year of operation, PMI reached 6 million people with prevention and treatment services, and the initiative is expected to reach 11 million more people in 2007.

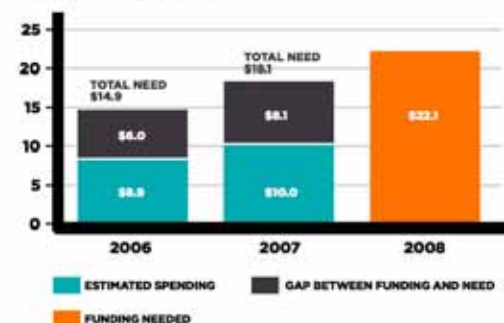
The Global Fund to Fight AIDS, Tuberculosis and Malaria, created in 2002 to enable donors to pool their resources and fund programs tailored to the needs of recipient countries, has committed \$7.6 billion to more than 450 programs in 136 countries. Thus far, the Global Fund has:

- Supported ARV treatment for approximately 1.1 million people
- Provided 2.8 million patients with treatment for TB
- Supplied 5.3 million people with ACT treatments for malaria
- Delivered more than 30 million insecticide-treated bed nets.

Despite the impressive results of these programs and a rapid scale-up of global funding, current global resources are not sufficient to get ahead of the three epidemics. New strains of HIV continue to develop, drug-resistant malaria has made the cheapest methods of treatment ineffective in many countries and multi-drug resistant TB (MDR-TB) is on the rise. A recent outbreak of extensively drug-resistant TB (XDR-TB) in southern Africa has highlighted the urgent need for resources to fight this airborne killer, which has been identified in countries on every continent, including in the United States.

Going forward, prevention is crucial in the fight against HIV/AIDS. To effectively combat the epidemic, the U.S. should support comprehensive, evidence-based HIV prevention programs. These programs should integrate sexual and reproductive health and family planning, the prevention of violence against women and children, harm reduction and other relevant evidence-based approaches that will prevent the spread of HIV/AIDS, and strengthen efforts to promote the legal, economic and social empowerment of vulnerable and marginalized groups, especially women and girls.

FINANCING NEEDS AND AVAILABILITY IN THE FIGHT AGAINST GLOBAL HIV/AIDS



The funding requirements for these three diseases are estimated as follows:

- **HIV/AIDS:** In 2006, estimated donor spending to fight HIV/AIDS was \$8.9 billion, an increase of roughly \$2.6 billion over 2005. But truly reversing the epidemic requires further scale-up. UNAIDS estimates that the global price tag for HIV/AIDS will reach \$22 billion by 2008.

- **TB:** The total cost of fighting TB will reach \$56 billion over 10 years, but only \$25 billion is likely to be available, according to the Stop TB Partnership. This leaves an estimated funding gap of \$31 billion spread over 10 years (approximately \$3.1 billion annually).
- **Malaria:** The latest estimate available for malaria needs globally calls for \$2.9 billion in 2007 to provide effective treatment and prevention programs, scaling up to \$3.7 billion in 2010.

In 2005, donors and poor countries committed themselves to getting ‘as close as possible’ to providing universal access to HIV/AIDS prevention care and treatment to all those who need it by 2010. Since that time, significant steps have been taken to devise country plans for achieving universal access. Donors also committed to scaling up malaria control to reach 85% of affected individuals, with the goal of saving the lives of 600,000 children by 2010 and to help meet the resource need identified by the Stop TB Partnership.

First Steps for the Next President

U.S. leadership in fighting these three diseases must continue through a coordinated and sustainable approach that utilizes both bilateral and multilateral tools.

- The ultimate goal should be to provide one-third of the global financing requirements for HIV/AIDS, TB and malaria and to honor our G8 commitment to achieve universal access to prevention, care and treatment for HIV/AIDS by 2010. At a minimum, this will require \$9.4 billion in 2008 for the three diseases. Precise estimates for resource needs beyond 2008 will be determined as countries complete their universal access plans. As part of their G8 commitment, the U.S. also agreed to support children left orphaned or vulnerable by AIDS, and it should continue to work to fulfill its share of this promise.
- The U.S. should fully utilize proven programs to their maximum capacity: Effective interventions such as PEPFAR and PMI must be fully funded, and U.S. bilateral TB programs, which have been severely under-funded, must be more robustly supported. In addition, increased and predictable U.S. support for the Global Fund to Fight AIDS, Tuberculosis and Malaria is essential to success in fighting these three diseases.
- The U.S. must ensure that, as it fights these three diseases, it does so in a way that strengthens broader health systems and improves overall health outcomes. This will require a particular emphasis on addressing health worker needs and shortages, as well as infrastructure constraints. Moreover, the U.S. should strengthen coordination between PEPFAR, PMI and other U.S. development assistance programming and services.
- Increased support for vaccines and new drugs and diagnostics to fight AIDS, TB and malaria is a smart investment in long-term efforts to turn the tide against these three devastating diseases. The U.S. should expand existing research funding and pass legislation to create private sector incentives for vaccine development, including Advanced Market Commitments (AMCs).

Child and Maternal Health

The Goal: To reduce by two-thirds the under-five mortality rate and to reduce by three-quarters the number of pregnancy-related deaths of mothers

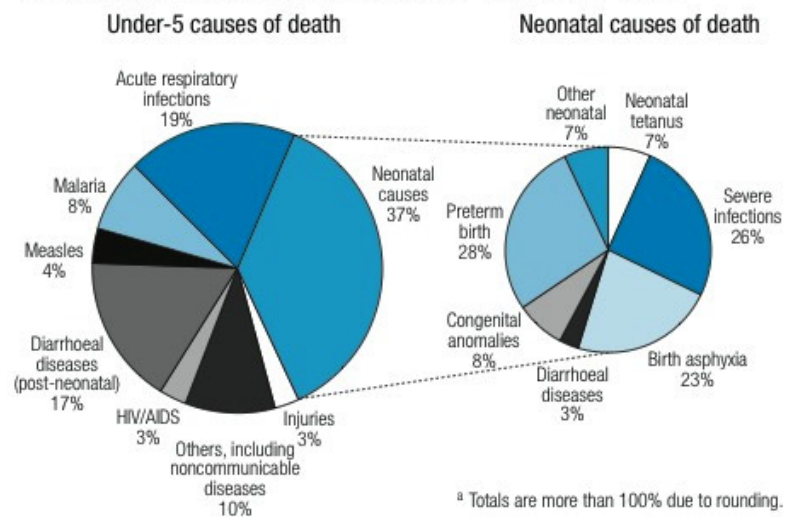
Net Result If Achieved: The lives of some 5.4 million children under the age of five and those of 400,000 mothers will be saved by 2015

Background

Health systems in poor countries around the world are in an extremely fragile state. Young children and pregnant women bear the brunt of inadequate health systems in ways that we in the West cannot imagine. In the world's poorest countries, diarrhea alone is responsible for 5,000 child deaths each day, and women have a one in ten chance of dying during childbirth. Better development interventions in multiple sectors, including water, education, hunger reduction programs and HIV/AIDS and malaria programming, will result in healthier mothers and babies. But even as living conditions are improved, specific interventions to improve child and maternal health, such as basic vaccinations and access to maternal and reproductive health care and family planning are necessary. In addition to these areas, the overall strengthening of health systems to deliver low-cost and effective health care is a critical component of efforts to save the lives of millions of mothers and their children.

- Preventable Child Deaths:** In total, more than 10 million children die every year before their fifth birthday, nearly all of them from preventable causes. The chart below shows the leading causes of these deaths. This chart shows very clearly that a large number of children are dying from diarrhea and respiratory infections; many of these deaths could be prevented with very basic and very low-cost interventions, including better access to clean water, vaccinations and a basic healthcare package to address nutrition and dehydration. In 2005 alone, an estimated 1.5 million children died from rotavirus and pneumococcal diseases — diseases that could have been prevented by simple, low-cost vaccinations. The chart also shows that 37% of all under-five deaths are neonatal, and many of these could be prevented through improvements to maternal health care, discussed below.

The causes of death of children under five, 2000–2003^a

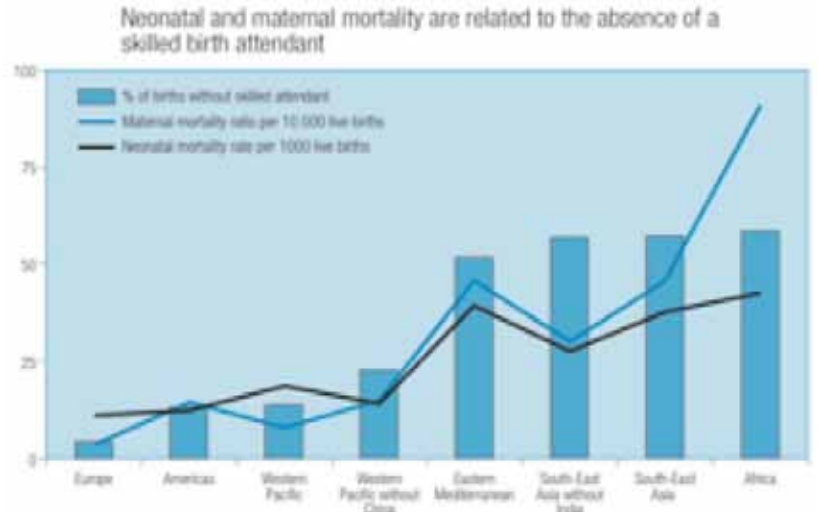


Source: WHO

- Maternal Mortality:** More than 500,000 women die each year from complications during childbirth and 50 million more suffer from pregnancy-related illnesses and injuries, many with life-long consequences. While women in developed countries as a whole have a one in 2,800 chance of dying in childbirth, women in Africa have a one in 20 chance, and in several countries the lifetime risk exceeds one in ten. This gross disparity is due to a lack of access to skilled professional care and basic equipment and to a lack of drugs and supplies needed for a safe delivery in poor countries.

Gender-based violence and discrimination compromise the reproductive health of one in every three women. Many are unable to control decisions to have sex or to negotiate safer sexual practices, and this places them at great risk of pregnancy, sexually transmitted infections and HIV.

Affordable technologies and interventions exist that could prevent nearly all of these deaths. As the chart to the right demonstrates, the number of infant and maternal deaths can be related in part to a lack of skilled medical personnel. The challenge, therefore, is not just technological, but also strategic and organizational. Delivering vaccines and basic maternal and reproductive health care services requires critical inputs that most poor countries do not have: sufficient numbers of doctors, nurses and midwives to staff hospitals and health centers, sterile supplies and basic equipment, predictable financing and adequate technology and infrastructure — in other words, a strong, well functioning health system.



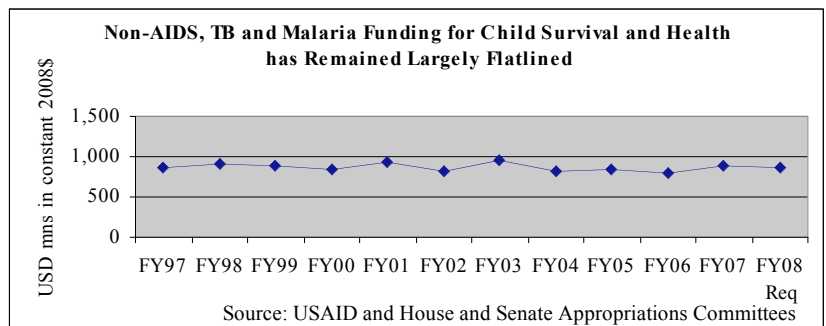
Source: WHO

The global inequalities that exist in healthcare are staggering:

- In Ethiopia, total health spending is \$20 per person compared with \$5,711 per person in the U.S.
- Less than a quarter of all births in Haiti are attended by skilled health personnel, compared with 99–100% of all births in the top 30 most industrialized countries in the world.
- Tanzania has just two physicians per 100,000 people and Cambodia has just 16; in the U.S. we have 256 physicians per 100,000 people.

Current Situation

As the chart to the right demonstrates, while U.S. funding for critical diseases such as HIV/AIDS has increased in recent years, funding for the Child Survival and Health Account, excluding HIV/AIDS, TB and malaria, has remained relatively flat. In addition, international funding for family planning has declined significantly. Further, the attention and resources mobilized around AIDS, TB and malaria in recent years, while crucial, have exacerbated existing strains on health systems by pulling scarce funding, supplies and human resources away from primary care and maternal health services.



Source: USAID and House and Senate Appropriations Committees

Global health programs must be designed in a way that enhances overall health systems instead of adding to the strain on them. Weak and failing health systems represent a critical obstacle to improving maternal and child health, as well as to efforts to fight the pandemics of AIDS, TB and malaria. Besides a staggering scarcity of doctors, nurses and community health workers, health systems are challenged by weak sector management, unpredictable financing, inadequate technology and infrastructure, shortages of basic supplies and weak monitoring and logistical support.

The World Health Organization (WHO) has determined that scaling up maternal and child health care to reach 95% coverage between 2006 and 2015 will require \$2.2 billion in 2006, increasing to \$7.8 billion in 2015. However, as noted above, comprehensively addressing health needs in the developing world will also require functioning health systems that can address a variety of demands.

First Steps for the Next President

- The U.S. should urgently scale up and expand efforts to address child and maternal health needs. It should aim to scale up existing programs for basic child and maternal health with an additional \$1.6 billion by 2012. The U.S. should also increase its contribution to family planning and reproductive health by an additional \$1.3 billion by 2012.
- Poor nations which are seriously committed to strengthening their health sectors should not fail because of a lack of financial or technical resources. The U.S. should commit to supporting stronger health systems in countries that have developed technically sound investment strategies, demonstrated a strong record of good governance and scaled up domestic resources for health spending.
- Both improved access to existing vaccines and expanded research efforts for new vaccines have a central role to play in efforts to improve maternal and child health. The U.S. Government should continue funding for existing vaccines research and pass legislation to improve private sector incentives for vaccines that affect the developing world, including Advanced Market Commitments (AMCs).

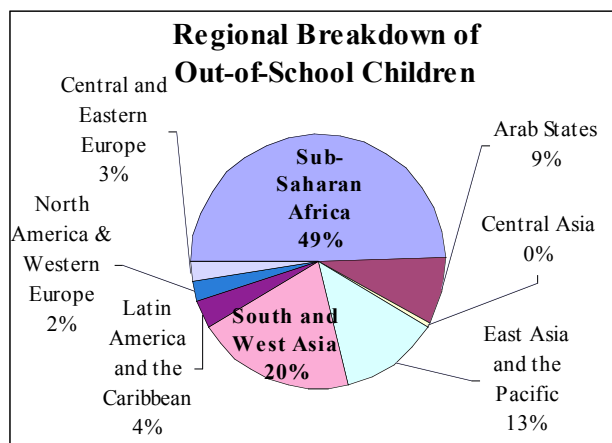
Education

The Goal: Ensure that all children complete a full course of high-quality primary schooling by 2015

Net Result If Achieved: 77 million primary school-age children who are currently out of school will be enrolled in primary school

Background

As the chart to the right demonstrates, sub-Saharan Africa is home to almost half of the out-of-school children in the world, though significant numbers live in South and West Asia and in East Asia and the Pacific as well. The challenges in expanding access to a quality primary education are vast, especially education for girls. Many children are kept from school because they cannot afford school fees or the cost of school uniforms, books and other materials. Poor countries lack the funds to train and retain qualified teachers, provide textbooks and teaching materials and build an adequate number of schools. AIDS has also further weakened education systems, wiping out a generation of educators and forcing children, especially girls, to stay home to care for sick family members.



Source: UNESCO

Education is a basic human right. It is also one of the best investments in development.

In addition to equipping a child with the knowledge and skills needed for a productive life, a basic education offers even deeper and wider returns for health and economic growth:

- Educated mothers are 50% more likely to have their children immunized.
- A 2004 study concluded that universal primary education could prevent 700,000 HIV cases per year.
- In low-income countries, a young woman's average earnings increase by 10–20% with each additional year of education.

Education is also a key tool in the effort to develop and strengthen young democracies. Studies have found a strong link between mass literacy and the presence of democratic political systems.

Education promotes wider community cohesion and stability, giving people more control over their lives and hope for the future. Free access to high-quality public education, where children can learn about civic engagement, democracy and equality, provides an alternative to other forms of organized schooling. For example, while the vast majority of religious schools provide a quality education, a small minority are run by extremists who teach intolerance. A strengthened formal school system can help avoid a generation of vulnerable children coming under the sway of extremist teachings.

Success in Recent Years towards Education for All

- In Yemen, \$10 million from donors is helping to increase the enrollment of girls in rural areas, where currently only 30% attend school. Already, 14,000 teachers have been trained, 86 new schools have been built and more female teachers are being hired.
- In 2001, Tanzania used savings on debt relief to increase education spending and eliminate school fees. Almost overnight, an estimated 1.6 million children enrolled in school. By 2003, 3.1 million additional children were attending school. Similar results have been seen in Mozambique, Kenya, Malawi, Uganda, Rwanda and Ethiopia.

Current Situation

In 2002, donors and developing countries established the Education for All Fast Track Initiative (FTI) to channel increased bilateral funding to countries with donor-approved education plans. The FTI is a partnership between donors and low-income countries based on the idea of mutual commitments: developing countries prioritize primary education, produce national education plans and increase domestic education funding while donors, in turn, provide coordinated and increased financial and technical assistance.

So far, 31 countries have received FTI endorsements, and since 2002 increased funding has helped put millions of children in school. But these 31 countries still have an external financing gap of \$530 million, and this is expected to grow to \$830 million by the end of 2007 as an additional 15 countries are expected to be endorsed. In order to provide an education to all children, the U.S. must fully utilize and expand the FTI, as well as develop complementary strategies for weak and post-conflict countries in need. In total, achieving universal primary education completion by 2015 will require funding to be scaled up to \$10 billion annually. In 2005, donors spent a total of \$2.4 billion on primary education; the U.S. spent \$493 million on basic and primary education worldwide.

First Steps for the Next President

The U.S. should commit to a two-pronged strategy to scaling up access to education:

- The U.S. should aggressively scale up assistance to support country-owned national education plans that have been endorsed by the FTI. The U.S. should also ensure that its assistance is used to improve the quality of the education being delivered, in addition to expanding free access.
- The U.S. should work with responsible international organizations to provide funding for basic education in weak and fragile states through community and faith-based organizations. Removing financial barriers to access and working to provide universal access to education in fragile states is one of the best ways to mitigate future instability and to build a foundation for future development. More than one-third of developing countries with endorsed education plans are fragile states.
- For the U.S. to meet its equitable share of the \$10 billion needed annually to achieve universal primary education, it would need to provide \$3.3 billion a year from now to 2015.

Clean Water and Sanitation

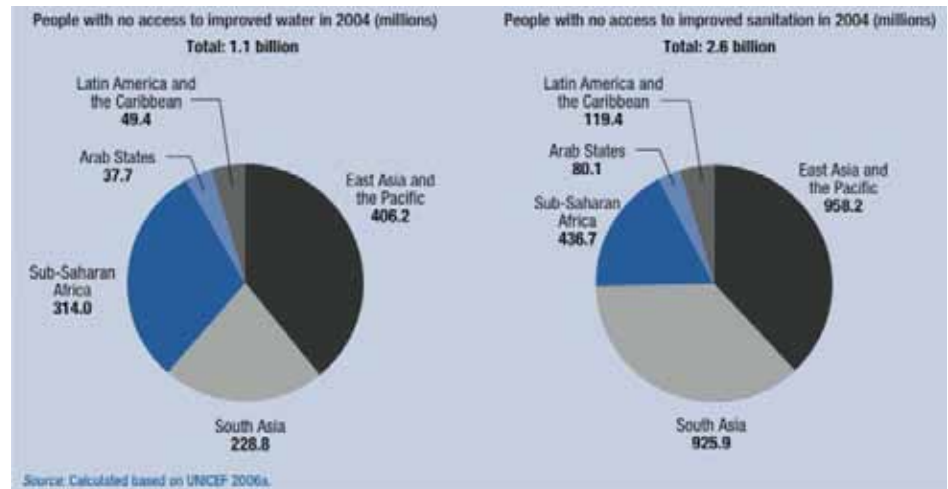
***The Goal:** To reduce by half the number of people without access to safe drinking water and basic sanitation*

***Net Result If Achieved:** 450 million people will have access to safe drinking water by 2015, and more than 700 million people will gain access to basic sanitation*

Background

Safe water and adequate sanitation are precursors to improving health, education and overall prosperity. However, more than one billion people around the world are without access to clean water sources, and 2.6 billion people do not have access to basic sanitation.

Clean water and sanitation are essential to broader development priorities:



- **Impact on Health:** Young children are the most vulnerable to the impacts of unsafe water and poor sanitation. More than 1.8 million children die each year — roughly one every 15 seconds — from water and sanitation-related diarrheal diseases.
- **Impact on Education:** The lack of access to clean water and sanitation translates into lost educational opportunities, especially for women and girls. Time spent collecting water — often many hours each day — means that girls do not have time to attend school. Studies show that girls are 12% more likely to attend school if water is available within 15 minutes' walk of home, rather than one hour's walk. Young girls are also less likely to attend classes if the school does not have adequate and separate toilets for girls. In addition, water-related illnesses increase absenteeism for all children and, globally, result in a loss of more than 443 million school days each year.
- **Impact on Economic Prosperity:** A WHO cost-benefit analysis calculated that every \$1 invested in water yields an economic return of \$8, in saved time, increased productivity and reduced health costs. The WHO estimates that the economic benefit of achieving the water and sanitation Millennium Goal will amount to \$38 billion globally.

In 2004, a group of the world's leading economic experts ranked water supply and sanitation projects among the top ten most cost-effective ways to advance global welfare. For example, for less than \$3,000 a tube-well can be drilled in a village that will supply access to water for up to 600 people. Yet while low-cost solutions exist, poor countries often cannot afford the large up-front investments in critical water and sanitation infrastructure, such as pipes and pumping stations.

Current Situation

There is no doubt that the world has the knowledge, technology and resources to halve by 2015 the number of people without access to safe drinking water or sanitation. However, meeting this target will require a substantial increase in resources and commitment from donors and national governments. Currently, donor commitment to water and sanitation varies widely and financing is unpredictable.

Overall assistance to the sector has stagnated over the past ten years. On current trends, sub-Saharan Africa will not reach the 2015 water target until 2040, and will reach the sanitation target only in 2076. South Asia and the Arab states are also off track, although not as drastically as Africa.

The 2006 Human Development Report calculated that water and sanitation will require an additional \$10 billion a year in funding in order to bring the Millennium Goal within reach, of which \$4 billion is needed in additional donor assistance. The U.S spent \$1 billion on water and sanitation in 2005, but more than \$700 million of this total was for Iraq.

First Steps for the Next President

- The U.S. must place a stronger emphasis on water and sanitation by leveraging existing interventions and integrating low-cost water and sanitation improvements into existing health and education programs and fully implementing the Senator Paul Simon Water for the Poor Act.
- Effective support will also require up-front investments in essential infrastructure for nationwide water and sanitation systems, especially in rural areas, and technical assistance for strengthening government capacities and policies to improve sanitation and safe water supplies.
- The U.S. should dramatically increase its spending on water and sanitation in developing countries, providing a proportionate share of the \$4 billion needed from donors to meet the water targets by 2015. This would require \$1.3 billion from the U.S.

Hunger and Malnutrition

The Goal: By 2015, to cut by half the number of people suffering from hunger

Net Result If Achieved: Approximately 300 million fewer people worldwide will suffer from hunger

Background

Like access to water and sanitation, food security is a precondition to improvements in health, education and productivity. Today, 824 million people across the world are hungry. Hunger manifests itself in ways other than the images of starvation and famine we see on television. Most poor people who battle hunger deal with chronic undernourishment and vitamin or mineral deficiencies, which result in stunted growth, weakness and heightened susceptibility to illness. Economically, the constant effort to secure food consumes valuable time and energy, allowing poor people less time for work and earning an income. In addition, in many countries the HIV/AIDS crisis is exacerbating existing hunger issues: the majority of those falling sick with AIDS are young adults who would otherwise be harvesting crops.

Food aid is a critical form of foreign assistance, particularly in times of emergency. If not properly delivered, however, some food aid can actually be counterproductive. For example, shipping U.S. food to recipient countries can undercut local agricultural production. If foreign food aid diminishes demand for locally produced food, then providing food aid may depress market prices, decrease agricultural production and reduce income for the neediest segments of the population.

Providing cash assistance to purchase food on local and regional markets where food is abundant is a more effective alternative. It is also a more efficient use of U.S. tax dollars, as 40 cents of every food aid dollar is currently used for shipping food to its destination.

Ultimately, the best way to fight hunger is to build the local capacity of communities to meet their own nutritional needs. Agriculture is generally recognized as the backbone of economies in developing nations (particularly in Africa) and the livelihood of 75% of the world's poor people. Unfortunately, due to infrastructure challenges and lack of technological capacity, many of these farmers are barely able to produce enough to feed their families. This means building the capacity of subsistence farmers by teaching them new farming techniques, introducing new crops and seed varieties and building the economies of countries. By significantly increasing development assistance for agriculture and trade, including specific activities targeting appropriate and sustainable agricultural technology, rural development, clean water and other critical natural resources, the U.S. can build long-term economic development that will help local farmers combat hunger on their own. Previous investments of this type in India resulted in the so-called 'green revolution', and targeted investments in model villages have resulted in massive improvements in yields.

Overview of U.S. Food Aid Programs

The U.S. provides emergency, project and program food aid through USAID and the U.S. Department of Agriculture (USDA) in accordance with the Agricultural Trade, Development and Assistance Act of 1954, commonly referred to as Food for Peace. The Act contains three 'titles':

- *Title I* authorizes USDA to provide direct food aid to governments through sales on concessional terms.
- *Title II* authorizes USAID to provide food aid to agencies administering humanitarian assistance or development programs, such as the World Food Program.
- *Title III*, administered by USAID, provides for government-to-government grants of food aid.

Other food aid programs include Food for Progress, the McGovern–Dole Food for Education Program, the 416(b) Program, and the Bill Emerson Humanitarian Trust. The 416(b) Program is supplied through surplus U.S. government food stocks.

Current Situation

The U.S. is the largest provider of emergency food aid in the world, delivering food aid through the three ‘titles’ described in the box on this page. As mentioned above, some forms of U.S. food aid, such as those that provide cash to buy products locally, are significantly more useful for developing countries than others; indeed some forms of U.S. food aid may do more harm than good. A limited number of U.S. programs essentially involve ‘dumping’ surplus food onto developing country markets, which can depress local prices and have a negative impact on local production.

First Steps for the Next President

Despite current efforts, a more effective strategy to combat world hunger is necessary. As we scale up the quantity of food aid, the next administration should also take action to increase food aid efficiency (more assistance per taxpayer dollar) and effectiveness (sustained, long-term improvements in food security in developing countries). To achieve this, the next president should:

- Make U.S. food assistance more flexible, and allow food aid recipients to buy food in local and regional markets when possible, rather than shipping all food from the U.S.
- Increase funding for food aid as part of a larger expansion of nutrition assistance in developing countries.
- Increase the resources dedicated to improving agricultural productivity in developing countries.
- Increase the flexibility of U.S. food aid to complement other U.S. investments in health and education by, for example, more closely coordinating HIV/AIDS and nutritional programs to maximize the effectiveness of ARV treatment.

DEVELOPMENT ASSISTANCE, DEBT CANCELLATION AND TRADE AND INVESTMENT

PROVEN TOOLS IN THE FIGHT AGAINST EXTREME GLOBAL POVERTY

Development Assistance

Background

In order to achieve the five goals outlined in this document, we must more aggressively utilize proven tools such as development assistance, debt cancellation and improved trade and investment strategies. The first of these, development assistance, plays a critical role in global efforts to fight extreme poverty, demonstrating remarkable results, improving lives and laying the foundation for future growth.

In the past, particularly during the Cold War, political and strategic concerns behind U.S. development assistance meant that assistance was channeled to unaccountable and, often, unelected regimes. This led some to brand all ‘aid’ as ineffective. Since those days, development strategies have evolved dramatically. Today, good governance and accountability are playing a central role in U.S. development assistance, ensuring that more funding is being used to help those people on the ground who need it most.

Over the last two decades, the U.S. has designed smarter and more efficient programs that are proving effective. Moreover, it is proving that strategically designing development assistance in accordance with the needs and policies of its recipients can yield impressive results. In countries where there are effective governments, the U.S. is increasingly working directly with them to scale up their capacity to coordinate global and local efforts. In other countries, where governments are less reliable, the U.S. is still helping individuals in need by tailoring its efforts to work through local or international organizations, or through the private sector, to reach those in need.

Development assistance is helping to achieve dramatic results around the world:

- ***Fighting AIDS:*** In 2002, only 50,000 HIV-positive people in Africa had access to antiretroviral medicines. At the end of 2006, 1.34 million Africans — and 2 million people globally — were receiving treatment, thanks in large part to the Global Fund and the President’s Emergency Plan for AIDS Relief (PEPFAR).
- ***Education for All:*** Between 2000 and 2004, 20 million African children who had previously been denied an education went to school for the first time. These results can be attributed in large part to the effective use of debt relief, but they are also due to scaled-up development assistance through programs such as the Education for All Fast Track Initiative (FTI). Nicaragua, for example, effectively utilized \$3.5 million from the FTI to send an additional 70,000 six-year-olds to school, to expand and update teacher training facilities and to increase the number of children receiving a daily meal in school by 600,000, all in a single year.
- ***Microcredit:*** Support for microfinance has been part of U.S. foreign assistance for more than 25 years. USAID provides over \$200 million annually for microcredit programs and recently developed poverty measurement tools to help ensure that even more of the world’s poorest people can be reached through these investments. USAID helped establish the First Microfinance Bank of Afghanistan (FMBA) in Kabul in 2004. Today, it has six branches, more than \$10 million in

outstanding loans, \$15 million in savings and 12,500 clients. Worldwide, microcredit has reached more than 80 million of the world's poorest people.

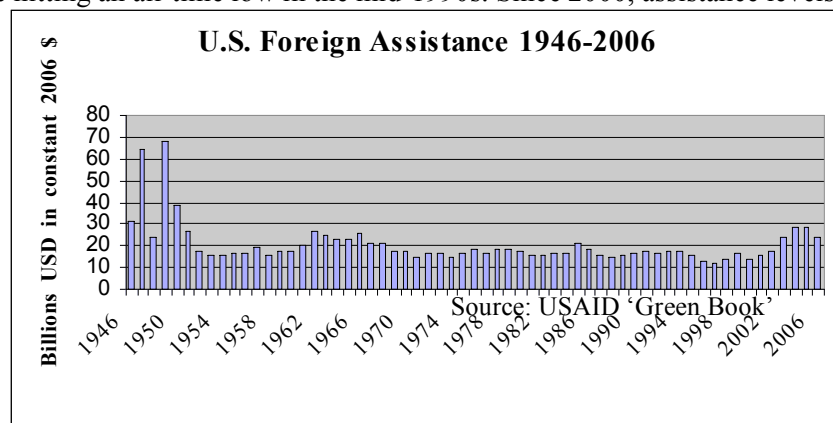
- Innovative Compacts for Poverty Reduction and Economic Growth:** The Millennium Challenge Account (MCA) is an example of an innovative new U.S. program to channel assistance to countries that have a record of good governance and fighting corruption and a commitment to investing in their people and in economic growth. To date, the MCA has signed compacts with 11 countries worth a total of \$3 billion, with an additional \$300 million committed to 11 threshold countries. The MCA model is helping to incentivize improved governance, as countries strive to qualify. Those countries that do qualify design compacts around their own priorities and have begun to see benefits in poverty reduction and economic growth. For example, in Madagascar a compact has so far helped subsistence farmers to earn a better income by signing almost 400 land titles, providing technical assistance to 2,000 farmers and enterprises and training another 225 farmers to utilize microfinance credit.

The value of international assistance depends not just on the quantity of assistance, but on its quality as well. Predictable, long-term development assistance that supports nationally-owned programs is particularly valuable. Better harmonization between U.S. government programs in recipient countries, with partner agencies in other countries, and with multilateral organizations is also especially important for increasing aid efficiency. Tied aid, which is development assistance that is given on the condition that it is used to purchase goods and services either from the donor or from a group of countries specified by the donor, reduces the purchasing value of the development assistance dollar. It has been estimated that the efficacy of assistance that is tied in this way is reduced by approximately 30%.

Current Situation

As the chart to the right demonstrates, U.S. development assistance funding reached its highest point following World War II, with the Marshall Plan to help rebuild Europe. In the 1950s, however, it began a general downward trend before hitting an all-time low in the mid-1990s. Since 2000, assistance levels

have again been increasing, primarily due to new efforts such as PEPFAR and the MCA, but also due to humanitarian and development operations in Iraq and Afghanistan, as well as debt cancellation for those two countries. In 2006, the U.S. spent \$22.7 billion in official development assistance (ODA). An ODA figure excluding Iraq-related



assistance is not yet available. The U.S. gives the largest volume of international assistance of any country in the world, but as a percentage of GNI it ranks as the second least generous donor. In 2006, U.S. ODA as a share of GNI was 0.17%, whereas the combined ODA level of EU countries as a share of their combined GNI was 0.43%. Furthermore, this level of 0.17% included large quantities of debt relief for Iraq and Nigeria, the vast majority of which did not represent real flows to developing countries to help fight poverty.

The best estimates of need indicate that more than \$180 billion will be required in annual global ODA by 2010 and that requirements will continue to grow through 2015. In 2005, global ODA including debt relief (excluding Iraq-related assistance) totaled \$92 billion. In 2006, global ODA was \$104 billion. As

stated above, a 2006 ODA figure excluding Iraq-related assistance is not yet available. The total financing gap across all donors will therefore reach at least \$88 billion in annual ODA requirements by 2010. If the U.S. were to provide an equitable share based on its national income (see methodology), its share of this financing gap would be an additional \$29 billion in 2010 — roughly an additional 1% of the federal budget.

During the 2005 G8 Summit, the U.S. committed to double aid to Africa by 2010 which will require an additional \$4.4 billion in assistance for the continent over the next three years. By comparison, EU countries (an economic block of the same size as the U.S.) pledged to increase assistance for Africa by \$18 billion over the same time period —over a much higher level of existing aid flows.

Also in 2005, donors collectively signed the Paris Declaration, which focused on the qualitative steps that donors could take to make development assistance dollars go further and better achieve their intended results. The Declaration included a series of targets to harmonize donor efforts, strengthen local capacity and systems, and align donor spending with host country priorities.

First Steps for the Next President

The U.S. should commit to providing more high-quality assistance, consistent with its global leadership role.

- The U.S. should address the quality of its development assistance by more effectively targeting it and investing it directly in the poorest communities. This should include efforts to increase harmonization both within the U.S. development portfolio and among other donors and host countries. In addition, an aggressive timetable for reducing the proportion of tied assistance is essential.
- The next president of the United States should commit the U.S. to a target date for reaching an additional 1% of the U.S. budget in poverty-focused development assistance, with annual interim targets to reach that goal. The U.S. should then scale up resources through the budget accounts that have the most direct impact on the world's poorest people to ensure that the MDGs are achieved.
- The next president should create a more robust implementation structure for foreign assistance that prioritizes and harmonizes international development objectives and activities across implementing agencies. For example, the creation of a new, cabinet-level agency focused solely on international development and humanitarian affairs could ensure that critical aid dollars are spent effectively and that poverty alleviation is as much a priority of U.S. foreign policy as defense or diplomacy.
- The U.S. should increase its focus on program measurement and impact evaluation. Policymakers should provide funding for operations research and program evaluation as an integral component of all U.S. funded or supported development, emergency relief and international health activities. Unproven programs should be required to have an evaluation component to determine their effectiveness.

Debt Cancellation

Background

For decades, many impoverished countries have been spending billions of dollars each year repaying debts to donor countries and international financial institutions. Many of these loans were given for political reasons during the Cold War to prop up particular governments and, in many cases, were wasted by corrupt and unaccountable regimes. These large debts became a serious impediment to poverty reduction and economic development. Countries began taking on new loans to repay old ones. Some countries spend more each year to service debt payments than they do on health and education combined.

Current Situation

While the debt crisis is far from over, industrialized countries have taken action to relieve debt burdens in many of the most impoverished countries, and these commitments have proven effective. Debt relief has been extended through two vehicles: the Highly Indebted Poor Country (HIPC) Initiative and the Multilateral Debt Relief Initiative (MDRI). Both initiatives target 40 of the most impoverished countries in the world. The HIPC Initiative, started in 1996 and further enhanced in 1999, cancels most bilateral debt and some multilateral debt once countries adopt economic and governance reform programs supported by the IMF and the World Bank. The HIPC process is designed to ensure that the debt savings are directed to country-owned poverty alleviation priorities.

At the 2005 G8 Summit, G8 leaders, led by the U.S. and the U.K., took further action to broaden debt relief by adopting the MDRI. For those countries that have completed the HIPC process, the MDRI agreement provides 100% debt cancellation of eligible debts that are owed to the World Bank, the IMF and the African Development Bank.

- | Debt Cancellation in Action | |
|-----------------------------|---|
| • | In 2001, Tanzania has used its savings from debt relief to increase education spending and eliminate school fees. Almost overnight, an estimated 1.6 million children enrolled in school. By 2003, 3.1 million additional children were attending school. |
| • | Mozambique used its debt service savings to vaccinate children against tetanus, whooping cough and diphtheria, as well as to install electricity in schools and to build new ones. |
| • | Nigeria is using \$750 million in debt service savings from 2006 to train and recruit new teachers. |
| • | Cameroon used its debt savings to launch a national HIV/AIDS plan for education, testing and prevention, including of mother-to-child transmission. |

To date, 22 out of 40 countries have completed the HIPC process and have thus qualified for 100% debt cancellation. Of the remaining countries, eight are receiving interim debt relief and another 10 are potentially eligible for debt relief and full cancellation, but have not yet met the requirements to begin receiving support.

- The 22 ‘completion point’ countries are receiving approximately \$81 billion in relief from HIPC and MDRI, resulting in an average of \$2 billion per year in savings.
- If all 40 potentially eligible countries complete the process, the two initiatives will provide approximately \$147 billion in relief in total.

Nominal HIPC and MDRI Debt Relief (US\$ billion)				
	Full Cancellation (22 countries)	Interim Relief (8 countries)	Not Yet Qualified (10 countries)	Total
HIPC	43.4	19.2	35.0	97.6
MDRI	37.5	5.6	5.8	48.9
Total	80.9	24.8	40.8	146.5

Despite the debt relief provided by HIPC and MDRI, however, substantial debts still remain in many countries striving to meet the Millennium Development Goals.

First Steps for the Next President

The U.S has cancelled 100% of its bilateral debts for the 22 currently qualified HIPC countries and has led in the development of MDRI. More remains to be done to ensure that the benefits of debt cancellation are fully realized. Even after debt relief, the poorest countries continue to pay \$100 million each day in debt repayments.

- The U.S. should continue to fully finance the debt deal brokered at the 2005 G8 Summit by ensuring that adequate resources are available for all HIPC countries so that they can progress through the HIPC process without delay.
- The U.S. should lead G8 donors in an expanded debt cancellation initiative for the remaining 27 International Development Association (IDA)-eligible countries that require debt cancellation in order to meet the Millennium Development Goals. The new administration should convene a donors' conference to assess the debt burdens of impoverished countries that were excluded from HIPC eligibility, but which still spend significant amounts of domestic resources on servicing their debts.
- Finally, the U.S. should take measures to preserve the gains made through debt cancellation by making future development flows available in the form of grants — not new loans — and without imposing harmful economic conditions. Debt cancellation is a critical step in paving the way for economic development and poverty reduction, but it alone is not sufficient to jumpstart development. Impoverished countries need increased assistance *in addition* to debt cancellation, if they are to stand a chance of breaking the cycle of extreme poverty.

Trade and Investment

Background

In addition to development assistance, poor countries need the opportunity to earn their own resources to fight poverty and meet the Millennium Development Goals. Increasing the ability of poor countries to access capital, earn more resources through trade and attract investment are all key components to creating sustainable economic growth. Achieving these goals requires a combination of assistance for programs at the community level that create economic opportunities while funding large-scale programs that target some of the constraints faced by developing countries in increasing export opportunities. But to make these programs truly effective, there must also be a policy environment that opens markets for poor country goods and services and encourages investment in these new markets. In order to achieve sustainable levels of growth, these countries need a mix of policies and foreign assistance that will create benefits at all levels of the economy. To build support for a global trading system that works for all countries, the U.S. needs to adequately invest in education, job training and assistance programs that ensure American workers at home do not lose out from trade.

Trade policy changes that deliver real benefits: Currently, the 50 poorest countries in the world have less than 1% of the global export market. Increasing this share, which can raise incomes in poor countries, will require the following:

- ***Improved access to markets:*** Many rich countries continue to limit the types and quantities of products that developing countries can export to them through systems of tariffs and quotas.
- ***Reduction or elimination of rich country subsidies:*** Developed country governments pay their richest farmers to overproduce, which lowers the global price for crops such as cotton, corn and wheat. This results in cheap products from rich countries being exported into poor countries, making it impossible for farmers in those countries to compete with these low-price products. These farmers are then unable to sell in their own markets and earn a living.
- ***Right to direct trade and development strategies:*** Poor countries must also retain as much control as possible over their own development policies, so that they are not forced to make trade concessions that negatively impact poverty alleviation strategies.

Improved capacity to trade: Most importantly, many countries do not have the capacity to compete in global markets, and therefore need to build their capacity to earn sustainable resources through trade. Among other things, there is a lack of infrastructure and a lack of expertise in interpreting complicated agricultural and technical standards, as well as cumbersome and costly customs procedures — all issues that can benefit from ‘aid for trade’ assistance that addresses these constraints.

Microfinance programs that create opportunities at the farm and community level: Microfinance programs provide market-based opportunities at the micro level that allow farmers to start or expand small businesses, increase production or diversify into new economic sectors. The infusion of capital into poor communities not only creates jobs, but also develops financial systems and increases transparency and accountability in under-served areas. The funds created by these programs also grow over time, as participation increases and capital is leveraged, allowing the benefits of these programs to reach more and more people.

Investment: As poor countries increase their economic growth rates, develop their capacity to trade and build business expertise through microfinance opportunities, they will be better equipped to attract both domestic and foreign investment. Investors should work with developing country governments, as well as with equity funds and other matching funds, to direct sustainable and appropriate investment to countries with strong democratic systems and increasing growth rates.

Current Situation

Trade Policy: Addressing the changes needed to trade rules in a way that will allow poor countries to compete on an equal footing will require a multilateral effort. The WTO Doha Development Agenda negotiations were launched in 2001, with the stated goal of creating greater trading opportunities for developing countries. For the first time, agriculture and the barriers faced by developing countries in this sector are being discussed in negotiations that include all WTO members. This is particularly important as the majority of people in poor countries depend on agriculture for their livelihoods.

However, despite the stated focus on development, the Doha negotiations have been largely dominated by traditional political sensitivities in the five years since their launch. Although talks recently resumed after a six-month suspension, strong political leadership is needed to broker a deal that puts the concerns and well-being of poor countries at the center of the discussions. At the same time, it is critical that the interests of small farmers and workers in the U.S. are protected. The U.S. has offered to cut its most damaging subsidies by more than 50%, but analysis shows that this reform could go further by cutting subsidies to crops that are crucial for developing country livelihoods, such as cotton, rice and corn.

In addition to activities under the Doha negotiations, U.S. bilateral trade programs such as the African Growth and Opportunity Act (AGOA), the Generalized System of Preferences (GSP) and the Caribbean Basin Initiative (CBI) have improved market access for poor countries and have resulted in some concrete results. For example, new opportunities under AGOA have resulted in an increase in apparel exports to the U.S. of more than 100% since 2000.

Aid for Trade: In recent years, U.S. funding targeted at building the ability of poor countries to trade has increased. Development assistance that is targeted to economic growth from the Millennium Challenge Corporation (MCC) has provided funding for trade-related needs in beneficiary countries, such as roads, water systems and ports.

Microfinance and Investment: In recent years, Congress has directed USAID to spend approximately \$225 million on microfinance programs. These funds are used to provide loan money in under-served areas, build the capacity of provider institutions to expand lending programs and eventually access capital markets, and target technical assistance to reach new populations and sectors.

Additionally, the U.S. government currently offers risk insurance to companies trading with and investing in developing countries, through the Overseas Private Investment Corporation and the Export-Import Bank. The U.S. also participates in multilateral efforts to encourage investment in these countries through World Bank programs such as the Multilateral Investment Guarantee Agency (MIGA).

First Steps for the Next President

To promote real and long-lasting economic growth in poor countries, the U.S. should take immediate steps to create more opportunities for developing countries to benefit from trade and investment. Specifically, the U.S. should:

- Reform trade-distorting agricultural subsidies that play a role in depressing prices and distorting markets for poor farmers. Such reforms should be introduced through the U.S. farm bill regardless of the outcome of the Doha round, and in a manner that does not negatively affect small farmers in the U.S.
- Give developing countries the freedom to determine in what ways they liberalize their economies

- Maintain and expand market access for developing country products, including duty-free, quota-free access for the 50 least developed countries
- Increase ‘aid for trade’ assistance that will help poor communities and poor countries effectively to engage in local, regional and global trade
- Support the development and funding of microfinance programs that best serve target populations — including targeting at least 50% of the money to the very poor — in developing countries and establish better tracking of the impact of these programs
- Support trade policies that protect and expand poor countries’ right to affordable generic drugs for important health needs and that respect the Doha public health provisions
- Consider innovative means to encourage more investment in developing countries.

METHODOLOGY

How does this platform relate to the Millennium Development Goals?

ONE Vote '08 is built on the foundation of the Millennium Development Goals (MDGs). In 2000, the United States came together with 188 other nations to affirm a set of international development goals in the United Nations Millennium Declaration. ONE calls for a sustained U.S. commitment, in partnership with other nations, to achieving these goals. The goals are:

1. Eradicate extreme poverty and hunger.
2. Achieve universal primary education.
3. Promote gender equality and empower women.
4. Reduce child mortality.
5. Improve maternal health.
6. Combat HIV/AIDS, malaria and other diseases.
7. Ensure environmental sustainability.
8. Develop a global partnership for development.

The goals contained in this platform are derived from the eight MDGs and the numbers developed by the UN Millennium Project. The three tools for fighting global poverty highlighted in this platform are directly linked to the call under MDG 8 for more generous and better quality official development assistance, debt cancellation and increased trade and investment. While not all the targets under MDG 7 — ensuring environmental sustainability — are covered in this document, ONE Vote '08 recognizes the importance of environmental sustainability and of improving the lives of slum dwellers in poor countries, especially those in Africa.

How do you define an 'equitable share'?

The principle is that donor countries should give aid in proportion to their wealth. The equitable share is therefore based on a country's share of the total combined gross national income (GNI) of the OECD DAC countries. The U.S. share of OECD DAC GNI is 38%, but ONE Vote '08 has capped it at 33%. This compares with the U.S. cap of 25% for contributions to the OECD and 22% for contributions to the U.N. Where the target is a DAC, G8, global or OECD one, the U.S.'s equitable share remains capped at 33%.

How do you calculate the results for achieving the goals highlighted in this platform?

The data for AIDS, TB and malaria contained in this platform come from UNAIDS, the WHO and the Roll Back Malaria Partnership respectively. Education data are taken from the 2007 Global Monitoring Report. Data for child and maternal health, clean water and sanitation, and hunger are all taken from the UN Millennium Project's report, 'Investing in Development: A Practical Plan to Achieve the Millennium Development Goals'.

One Vote '08 recognizes there are a number of potential sources that could have been used to measure the outcomes expected on each of these issues, but chose to use one consistent source for as many goals as possible. The Millennium Project's report was published in 2005, and thus the baseline for the data is a 2005 estimate. The projections for meeting the MDGs by 2015 take into account expected population growth, as well as expected progress that will be made under a 'business as usual' scenario. This accounts for the discrepancy between achieving the goal (e.g. reducing by half) and the net result estimates (which may be less than half).

The following are more detailed explanations for each goal:

1. **Save 15,000 lives a day by fighting HIV/AIDS, tuberculosis and malaria, three of the world's most devastating diseases.**

Explanation: There are approximately 5.5 million deaths a year from all three diseases (almost 2.9 million from HIV/AIDS, 1.6 million from TB and 1+ million from malaria), according to the latest available data from UNAIDS, the WHO and the Roll Back Malaria Partnership.

2. **Prevent 5.4 million young children from dying each year from poverty-related illnesses and 400,000 women from dying in childbirth each year.**

Explanation: An estimated 9.8 million children under the age of five die annually, almost entirely of preventable causes. If the world invests in the internationally agreed upon goal, to reduce by two-thirds under-five mortality rates, the number of child deaths will fall to 4.4 million annually by 2015, resulting in some 5.4 million lives saved.

There are currently 500,000 maternal deaths a year; a reduction by two-thirds of these deaths, which is the internationally agreed upon goal, would result in roughly 400,000 lives saved a year by 2015.

3. **Provide free access to a quality primary education for 77 million out-of-school children, with a special emphasis on girls.**

Explanation: The estimate for the current number of children out of school is taken from the UNESCO Global Monitoring Report 2007.

4. **Improve the living conditions of vulnerable populations by, for example, providing access to clean water for 450 million people and to basic sanitation for more than 700 million people.**

Explanation: In 2005, an estimated 1.1 billion people were living without access to clean water and an estimated 2.6 billion people were living without access to improved sanitation. If the world meets the MDGs by 2015, these numbers will drop to 580 million people and 1.8 billion people respectively. If this goal is met, some 450 million additional people will receive access to clean water between 2007 and 2015. Over 700 million additional people will receive access to basic sanitation during the same period.

5. **Reduce by half the number of people in the world who suffer from hunger, resulting in 300 million fewer people going hungry each year.**

Explanation: The UN Millennium Project has estimated that in 2005 more than 824 million people were undernourished. If the world meets the MDGs by 2015, this number will drop to 520 million people in 2015, resulting in 304 million fewer people living in hunger than did in 2005.