

The Best Possible Investment in Africa

By JEFFREY SACHS

CAMBRIDGE, Mass. — Africa, with tens of millions of lives at stake, needs around \$5 billion to \$10 billion a year from the rich countries in the next decade to battle AIDS. This may sound like a huge amount, but it is a remarkable bargain. Not only is it tiny compared with the great annual income of the well-off nations, but spending it could save the rich countries greater costs down the road: in response to military upheavals, humanitarian disasters and the worldwide spread of infectious diseases given a new foothold by AIDS. Secretary of State Colin Powell wisely said this week that Africa's AIDS epidemic is a national security issue for the United States.

Aside from these concerns, compassion alone would be reason enough to act: to turn our back on Africa over this small sum would constitute one of the greatest moral failings in history. But even in economic terms, this task should not frighten us.

When medical interventions in the United States are judged for their «cost-effectiveness,» the usual standard is to accept a technology if it saves American lives at a cost of \$50,000 to \$100,000 a person each year. Europeans, for their part, have just decided to spend around \$5 billion this year to fight mad cow disease, which has claimed around 80 lives. About 17 million Africans have already died of AIDS, and the millions more who are sick could be saved with drugs costing just \$500 a year to produce. One maker of generic drugs, Cipla of India, said Tuesday it would provide the drugs to Africa at \$350 to \$600 a year.

It is shocking that people could die in the prime of their lives, leaving grieving and destitute spouses and orphans, for lack of this small sum, but Africans are desperately poor, with average annual incomes often less than \$500. Even though the drugs now available to treat AIDS could keep wage earners in the labor force and parents raising their children, neither African households nor African governments can afford them. That is where the rich countries must come in, to purchase the drugs at low cost and to help ensure that they will be used effectively when distributed in Africa — especially to avoid the spread of viral strains resistant to the drugs.

Until very recently, the American and European pharmaceutical companies that hold the patents on the AIDS drugs were asking \$10,000 or more for one person's annual supply, but now they are ready to provide them to Africans at little more than cost, meeting the competition of generics producers as long as the patent rights are respected — a very reasonable position.

Fighting the AIDS epidemic requires a comprehensive strategy: prevention of new infections by means like promoting the use of condoms; treatment of people infected with H.I.V., the virus that causes AIDS; and community support, like care for orphans and help for people coping with AIDS in their families. Prevention and community support would probably cost around \$3 billion a year, according to recent United Nations estimates. Many African leaders have committed themselves to dramatic programs of prevention. But 25 million Africans already have H.I.V., and millions more are sure to contract

it before the epidemic is finally brought under control.

Between \$2 billion and \$7 billion a year would go for actual treatment — of both AIDS itself and the opportunistic infections that accompany it, like tuberculosis and fungal infections. The amount would grow from the lower end to the higher as more people were brought into treatment, assuming that the treatment programs indeed proved to be effective.

A realistic policy would go beyond fighting AIDS, committing to another \$5 billion to \$10 billion a year to a full-fledged fight on malaria, tuberculosis and other killer diseases that help keep Africa trapped in poverty. The rich countries could finance both this and the AIDS program — at between \$10 billion and \$20 billion a year — without breaking a sweat. Even the highest cost would be less than a penny for every \$10 of their combined gross national products, which will be around \$25 trillion this year.

The financing for this program could be gathered from many sources: rich countries' national budgets, debt cancellation for African countries, grants from private organizations like the Gates Foundation and Rotary International and from the World Bank. A likely American government share — say, \$3 billion or so annually in the next few years — would represent about \$10 a year for each of us — the cost of a movie ticket with popcorn.

Saving millions of African lives in the coming decade would have practical returns for the United States, sparing huge later costs. But the real returns

would be to our own moral worth. The richest, most technologically advanced country in world history cannot turn its back on millions of suffering people when it could so readily help them.

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