

A reform agenda for Africa – Initial success and criticism

New Partnership for Africa's Development (NEPAD)

The «New Partnership for Africa's Development» (NEPAD) was launched in October 2001. Together with the newly created African Union (AU), this has given the pan-African concept a new lease of life. The NEPAD programme stands for political renewal, peace, security and sustainable growth. A key component is the African Peer Review Mechanism in which 26 states are already taking part.



Dr. Konrad Melchers
editor
Zeitschrift Entwicklungspolitik
Frankfurt am Main, Germany
kmelchers@t-online.de

On 23 October 2001, the programmatic policy document «The New Partnership for Africa's Development – NEPAD» was adopted by 15 African heads of state and government in the Nigerian capital of Abuja. Almost to the day some three years later on 22 and 23 October 2004, a «NEPAD Multi-Stakeholder Dialogue» was held in Sandton, South Africa, with over 250 representatives of a broad spectrum of African governmental and non-governmental organizations and private companies. The four presidents and NEPAD initiators, Abdelaziz Bouteflika (Algeria), Thabo Mbeki (South Africa), Olusegun Obasanjo (Nigeria) and Abdoulaye Wade (Senegal) were also present.

NEPAD's founding fathers can look back on a remarkably dynamic development over the past few years. Together with the African Union (AU), which was established virtually in parallel, NEPAD has given a surprising and forceful burst of momentum to the pan-African concept that had widely been regarded as dead and buried. Now, in spite of all the inter-state conflicts and other shortcomings, work has started on larger-scale projects that are to benefit the entire continent or vast regions of it. These include infrastructure projects such as road and telecommunication networks and the harnessing of the immense water-resource potential. Large programmes in the agriculture, health, science and technology sectors are also in the pipeline.

Even more important are the political processes. In Sandton, it was generally acknowledged that peace and security in Africa are to be given the highest priority. Democracy, the rule of law and good governance were also given key importance. Here too a shift in paradigms is evident in Africa, with such issues having been taboo for so long. The Multi-Stakeholder Conference was also politically significant in that it allowed for the decisive involvement of civil society which had criticized NEPAD for excluding it from a process it saw as being implemented exclusively at the government level.

In its final report, the conference lists as deficits the insufficient level of participa-

tion by women, young people and the African Diaspora. Criticism is repeatedly levelled at NEPAD for not being a programme made by Africa itself, as those responsible for NEPAD insist, but a programme imposed on Africa by the group of eight leading industrialized states (G8), thus making NEPAD a neo-liberal economic programme.

How NEPAD came about

On closer inspection, it is clear that most of the critique is untenable. This is evidenced by NEPAD's own evolution which critics claim dates back to the G8 Summit in Japan in 2000. But in fact, Thabo Mbeki, the man essentially responsible for engineering NEPAD, had already formulated his vision of an «African Renaissance» at an earlier date, namely on 8 May 1996 when, still in his capacity as Vice-President of South Africa, he made a speech marking the adoption of the South Africa Constitution Bill by the National Assembly in Cape Town. In this speech, Mbeki declared that Africa will «rise from the ashes» and that whatever the setbacks were, «nothing can stop us now» (see box on page 8).

And indeed, nothing was able to stop Mbeki. In September 1998 he initiated the

NEPAD structure

The most senior decision-making committee in NEPAD is the «Heads of States and Government Implementation Committee (HSGIC)». Four states respectively represent five African regions (North Africa, East Africa, West Africa, Central Africa and Southern Africa). The HSGIC meets three times a year and reports every year to the General Assembly of the African Union (AU). Coordination tasks are seen to by the Steering Committee consisting of the personal representatives of the HSGIC heads of state and government and additional representatives of NEPAD founding states. Committee Chairman is Professor Wiseman Nkuhlu, the personal representative of the President of South Africa.

first «African Renaissance Conference» in Johannesburg with over 400 African intellectuals. This event focused on renewing Africa's identity. As part of his opening speech, Mbeki highlighted the influence that slavery, colonialism and neo-colonialism still have on the African psyche today, stating that the greatest potential for changing the mentality of backwardness and subjugation, the lack of self-confidence and lack of perspectives lies in African art and sport. Success in these areas will enable Africa to realize that: «When we want to win, we will win» (Malegapuru William Makgoba [ed.], *African Renaissance, The New Struggle, Sandton and Cape Town, 1999*).

To design and internationally sanction and coordinate a programme of political renewal, Mbeki organized mandates from high-ranking OAU conferences, the Non-Aligned Movement and the Group of 77,

The more important the peer reviews become, the more likely they are to turn into a decisive policy instrument affecting the future of Africa.

finding influential allies in the shape of Algerian President Abdelaziz Bouteflika, OAU President of 1999, and in Nigeria's political heavy-weight Olusegun Obasanjo. The G8 Summit 2000 in Japan endorsed the plan by the African troika.

The first draft of a strategy document that still had the ambitious title «Millennium African Renaissance Programme» (MAP) was already on hand by the start of 2001. Before the NEPAD document was adopted in October in 2001 however, it was first necessary to integrate some other programmatic concepts submitted by the Senegalese President Abdoulaye Wade (Omega Plan) and by the United Nations Economic Commission for Africa (UNECA), namely the Compact for African Recovery.

The Strategic Framework Document

The NEPAD document (cf. www.nepad.org) consists of a programmatic section and an action programme. The African Renaissance themes still persist throughout the first section. But in spite of the burden of colonialism and ongoing marginalization in the globalization process, it still comes to a positive conclusion: «The advantages of an effectively man-

aged integration present the best prospects for future economic prosperity and poverty reduction.» The international community is called on to generate «fair and just conditions in which Africa can participate effectively in the global economy and the body politic.»

The most important long-term objective is to «eradicate poverty» and «to promote the role of women in all activities». Other aspects that are highlighted include securing African ownership, responsibility and leadership in all activities, making Africa attractive to domestic and foreign investors and achieving the international development goals laid down in the Millennium Declaration, in particular that of halving poverty by 2015.

NEPAD also demonstrates its main intention as a programme for political renewal by placing the (African) «conditions for sustainable growth» at the core of the action programme. The «Initiative for Peace, Security, Democracy and Political Governance» comes first, followed by the «Initiative for Economic and Corporate Governance» and finally the «sub-regional and regional development approaches». The second focal point is on sectoral priorities such as infrastructure (IT, energy, trans-

port, water and sanitation), human resources (education, «brain drain», and health), agriculture, environment, culture, science and technology. The third element revolves around the theme of financial resources and is sub-divided between an initiative for «Capital Inflow» and one for «Market Access». Furthermore, a distinction is made here between Africa's own activities and international contributions. Official Development Assistance (ODA) has also been called on to reform its own procedures and processes and make ODA more effective.

Criticism

Critics have reacted particularly strongly to the resource gap amounting to some 64 billion US dollars (USD) per year referred to in the NEPAD document. This figure is seen as «proof» of the fact that the entire document serves no other purpose than to fill this resource gap by acquiescing to the terms laid down by international finance, thus selling out Africa yet again. Indeed, some see NEPAD as an even greater attack on Africa's independence than was the structural adjustment programmes by the IMF and World Bank.

The figure of 64 billion USD comes from the World Bank: the starting point for its calculations is the Millennium Goal of halving the proportion of people living in extreme poverty worldwide by the year 2015. It is roughly calculated that to meet this MDG, Africa will need to average an annual economic growth rate of 7 percent. Since the capital-output ratio is very low, an accordingly high domestic investment rate of 33 percent has to be assumed for this high rate of growth to be achieved. However, the domestic savings ratio in Africa of just 15 percent, plus 8 percent in FDI (net), leaves a resource gap equivalent to 10 percent of African GDP, which translated into some 64 billion US dollars in 2001.

This figure can certainly be regarded as a dividing line between those merely wishing to use NEPAD to attract new financial transfers to Africa and those striving for an African-driven renaissance and for whom this figure represents at most a political demand on the world's industrialized nations. Undoubtedly the first tendency is wide spread in Africa, otherwise this figure would not have made its way into the document even before detailed plans on the various initiatives had been finalized and concrete needs had been formulated. However, critical discourse on this essential issue should not be held against the NEPAD document and NEPAD approach, but can and should be viewed in relation to the document's central statements.

In the meantime, investment programmes have evolved which, as expected, have much lower financial requirements; for example, 8 billion USD over a longer period of time for regional and continental infrastructure measures, or a USD 500-million-dollar Comprehensive Africa Agricultural Development Programme (CAADP) backed by the World Bank.

Excerpt from Thabo Mbeki's speech on Africa's Renaissance (1996)

«I'm an African. (...) Africa reaffirms that she is continuing her rise from the ashes. Whatever the setbacks of the moment, nothing can stop us now! Whatever the difficulties, Africa shall be at peace! However improbable it may sound to the sceptics, Africa will prosper! (...) However much we carry baggage from our past, however much we have been caught by the fashion of cynicism and loss of faith in the capacity of the people, let us err today and say – nothing can stop us now!»



Kenya is one of the first countries to participate in the Peer Reviews.

Photo: Global Aware

Likewise, the general objection that NEPAD propagates neo-liberal economic concepts is not particularly plausible either, since NEPAD's aim is precisely to strengthen state functions and competence in the continental and sub-regional context. In controversial sectors such as water supply, electricity or transport, the document does not state specifically whether and to what extent these services are to be provided by state corporations or private companies.

Peer Reviews

A particularly innovative aspect of the NEPAD process is the «African Peer Review Mechanism» (APRM) which was not adopted as a component of NEPAD until 2003. Indeed, it was not clear at first whether peer reviews would become part of the programme at all. Ultimately, peer-review advocates had to accept a compromise in order for NEPAD to be recognized by the AU. The solution was to make NEPAD a comprehensive development agenda for Africa as a whole, something that is of overarching importance from a pan-African development perspective, and to make participation in the peer reviews optional.

Peer reviews provide a means for a country's policy to be evaluated by other members of a community of states. Since it was and is still not clear whether African governments would review each other's policy at all, and if so to what extent, a seven-member panel of eminent Africans was set up to steer the APRM with Senegal's Marie-Angélique Savané at the helm.

The precise focus of the review was also a matter of controversy: was it just a country's economic policy or should good governance, including the rule of law and democracy be reviewed too? The true political character of the reviews will become clear very shortly when the first review cases launched in May 2004 – in Ghana, Kenya, Mauritius and Rwanda – are wound up.

The reviews' participatory approach – i.e. their involvement of civil society – and the publication of the results are undisputed. Where there is freedom of press, it is expected that extensive and sound public debates will arise concerning the countries' development policy and any «fingered» reviews. This ought to give these countries a qualitative boost. As it turned out, NEPAD has backed a winner with the APRM: since March 2005, some 26 African countries out of a total of 53 NEPAD member states have joined the APRM were involved in the process.

G8 Action Plan

Once NEPAD started to take on a more concrete form, the 2001 G8 Summit in Genoa decided that government leaders should each appoint a personal representative (Germany's Federal Chancellor Gerhard Schröder appointed Parliamentary State Secretary Ms. Uschi Eid) to draw up a G8 Africa Action Plan for adoption at the next summit in Canada in 2002.

The G8 plan leans heavily on the themes and initiatives in the NEPAD document. In anticipation of the APRM, it is explained that, by way of a proviso, a «stronger part-

nership» involving more development inputs is only scheduled in those countries that take part in the peer review process. Thus, the more important the peer reviews become, the more likely they are to turn into a decisive policy instrument affecting the future of Africa.

The greatest differences in terms of expectations revolved around financial resources. The G8 are not prepared to bridge a larger share of the annual, additional resource «gap» of 64 billion USD. The field of «ODA reform» constitutes yet another area where the two sides found themselves at odds. NEPAD is calling for reform, because the jungle of bilateral and multilateral approaches is proving a burden on the recipients' capacity and therefore a constraint to development. The G8 are only offering to undertake very general «efforts» to reduce this burden. The G8 Summit in France in 2003 adopted an initiative to support African efforts to resolve their conflicts without external assistance. This included the promotion of training centres for peace-keeping forces, such as the Kofi Annan Centre in Ghana.

The role of the Blair Commission

At the start of 2004 a new initiative, the «Commission for Africa», launched by the British Prime Minister Tony Blair and Irish former pop star Bob Geldof started making headlines.

As its rationale it states the need to find a «more comprehensive approach» to the resolution of Africa's problems. However, in spite of all its claims, the report published on March 11, 2005, does not, on closer analysis, reveal any substantial differences to the NEPAD and G8 Action Plan. The question that arises is thus whether, with his increased rhetoric on poverty reduction in Africa, Blair wished to polish up an image tarnished by the war in Iraq. This Commission could also weaken NEPAD. Although it mentions NEPAD and the Peer Reviews in its report, it has not overcome the basic difference in approach. The commission describes development aid as the main means to «kick-off» Africa's development, while NEPAD focuses on African reforms.