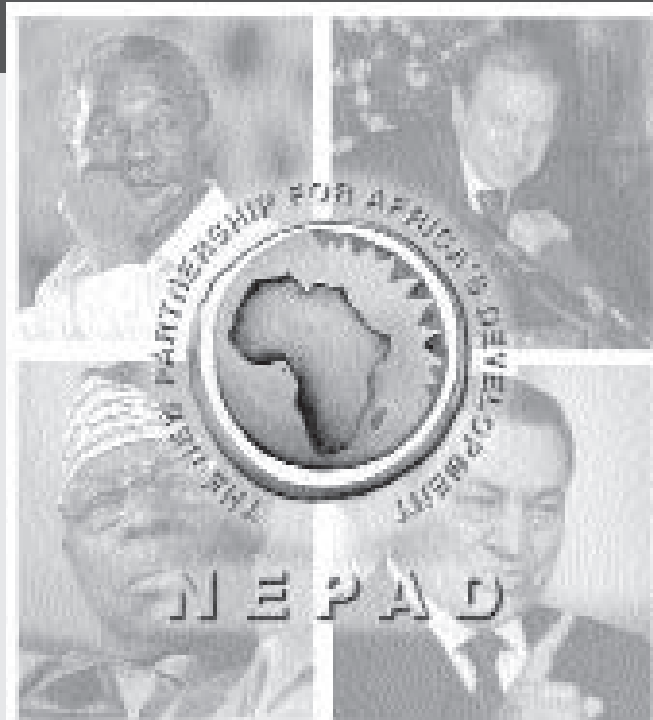


Africa's G8 wishlist

The G8 Summit's focus on Africa was the result of years of lobbying and tough diplomacy by African leaders for the world to take Africa seriously. **Chris Landsberg** explores what Africa asked for, what Africa was prepared to offer the G8 member countries and what the G8 delivered in return.



African states are in desperate need of international redress and massive transfers of resources, as well as radical transformation at home if they are to address their massive challenges.

The beginning of the century saw progressive African leaders committing anew to address the continent's vast development, socio-economic and political challenges. They established the AU, and adopted Nepad as their own socio-economic renewal programme to address Africa's major challenges of underdevelopment, poverty, poor economic performance and war and instability.

With these programmes, Africans gradually began to articulate a new progressive ideological paradigm: development is inextricably intertwined with peace and security, stability and democratic governance, economic growth through massive injection of foreign direct investment and strategic cooperation.

Africa came to the conclusion that it could not end poverty and underdevelopment on its own – it required a massive transfer of resources from the developed world. Hence, achieving sustainable development depended on a 'partnership' with the outside world, as much as intra and inter African cooperation. The continent is in desperate need of massive transfers of resources from the developed world, and progressive leaders agreed to seek such resources on the basis of partnership between itself and the industrialised world.

Africa naturally identified the Group of 8 (G8) forum, the seven most industrialised powers in the world plus Russia, established in 1975 in the wake of the international oil crisis, to deliberate on the state of world economic and political affairs on an annual basis. Since 1999, the presidents of South Africa Thabo Mbeki, Nigeria Osegun Obasanjo, and Algeria Abdelaziz Bouteflika, have been in the forefront to put African challenges on the radar screen

of the G8. They have campaigned for a host of issues to be taken up by the G8 – the information technology divide; debt; trade; market access; investment and increased aid.

So the July G8 Summit came about as a build-up of seven years of lobbying and tough diplomacy for the world to take Africa seriously and to enter into a deal with the continent that would see the North finally and seriously helping to address the continent's enormous socio-economic and political challenges which have their roots in brutal colonial and white oppressive legacies. The summit was also preceded this year by a number of developments: renewed interest in the revitalisation of the 2002 G8-Africa Action Plan through which the G8 gave explicit support for Nepad; a new emphasis in the UN Resolution 57/7 of 2002 which endorses Nepad as the official development plan of Africa; the kick starting of the African Peer Review Mechanism (APRM); the setting up of

the Africa Partnership Forum comprising representatives supportive of Nepad and development partners and all the fanfare around the British inspired Commission for Africa (CfA). All these efforts combined have already yielded more than R650-million to Africa annually – far from the colossal amounts of resources needed by the continent.

KEY DEMANDS FROM AFRICANS

For this summit Africa felt emboldened to engage the G8 with a greater sense of purpose. So what did Africa ask for? In the first instance, Africa wants genuine partnership with the industrialised powers and to take the question of development and poverty eradication seriously.

The call therefore, was for doubling assistance in the short term and increasing it further thereafter, as countries build absorptive capacity plus 100% debt cancellation for poor countries where this is necessary to achieve the Millennium Development Goals (MDGs). Development partners should commit to increasing assistance to at least 0.5% of their GDP by 2010 and 0.7% by 2015. For Africans aid is key to meet the MDGs with the majority already falling behind in achieving the goals. The necessary additional aid flow to Africa to achieve the MDGs is estimated to be in the region of R325-billion to R540-billion per annum. What has been offered to Africa to date falls increasingly short of what is needed. There is just not enough seriousness to address the continent's challenges.

Africa's experience with aid has been disappointing. Hence, the focus has been on raising funds through mechanisms that can mobilise funds speedily. Africans want the IMF to give support to mechanisms, which can mobilise additional funds without delay, such as an International Finance Facility (IFF), a possible international tax on financial transactions and the allocation of Special Drawing Rights. These ideas were met with disapproval by many G8 countries, with the exception of Britain and France on the tax issue. They want development partners to improve predictability of development assistance flows, harmonise and pool resources, establish adequately resourced joint funds and coordinate programme and budget support at a country level. Africans have also placed emphasis on improving international

trade opportunities and conditions.

Africans also asked the G8 and broader international community to commit to speed up the implementation of a number of mutually agreed programmes. Given the ongoing conflict and wars on the continent, they have understandably placed an emphasis on the need for support for the Peace and Security Programme of the AU. Africans want predictable and multi-year support here. Nepad has prioritised infrastructure development, and called for R65-billion for infrastructure to be replenished against evidence of effective use of the funds. Nepad has prioritised trans-boundary infrastructure projects in energy, transport, water and ICT. It is estimated that at least R130-billion is needed per annum for the next ten years to fund these initiatives.

Africans insisted on R65-billion per annum to accelerate development through adoption and implementation of expanded National Development Plans and increased investment in capacity building. To this end Africans committed to creating a Comprehensive Integrated Development Fund which will focus on agricultural development, rural and household water; health; education, science and technology; and post-conflict reconstruction. Some of the resources would also go towards strengthening the management of the AU/Nepad Programme and the Secretariat of the Regional Economic Communities (RECs).

In order not to encourage dependence on the outside world, greater emphasis was placed on the elimination of trade distorting subsidies, and supporting large inflows of private investment. Africans pushed for concrete commitments to complete the Doha round of trade talks.

Because of the desperate need for growth, there is almost widespread agreement amongst all African leaders that, without large inflows of private sector investment, Africa will remain marginalised. They expect the World Bank to help secure investment against adverse risks (such as an outbreak of civil war) for selected projects. In short, Africans called for a timetable for the elimination of subsidies, ensure market access and for increased capital and widening use of Multilateral Guarantee Fund.

WHAT DID AFRICANS OFFER?

'Progressive' Africans committed to the 'new

Africa agenda' could not hope to extract commitments from the industrialised powers without offering something in return. They have always been under pressure to self-impose conditions and political and economic regulation. Those Africans committed to Nepad and AU agreed to:

- accelerate political, social and economic reform, including opening up their governance, peer review and delivering peace where conflicts continue;
- muster the political will to drive the African agenda;
- develop short and long term national development plans and expanded Poverty Reduction Strategy Programmes (PRSPs) in line with meeting the MDGs by 2015
- use their own funds to accelerate development, including the African pension pool. Africans placed a major emphasis on cleaning up abuses of funds and resources;
- improve absorption capacity and management of funds;
- speed up the peer review process.

Elsewhere over the past four years, these Africans have gradually, under the mutual responsibility regime, committed to conflict resolution and strengthening the continent's conflict resolution mechanisms; promote democracy and human rights; enhance macro-economic stability; focus on education and health services, infrastructure, agriculture and diversification of economies; the role of women in social and economic development and building the capacity of states as priorities.

So while it is good that Africans made political and economic commitments in the context of G8-Africa action plans, Africans should be making commitments supporting democratic governance, development and economic growth not just to placate the West, but because it is first and foremost in Africa's interests to do so.

WHAT DID AFRICA RECEIVE?

So did Africa receive the comprehensive requirements of debt, trade, and international development assistance, and the removal of constraints that have held back Africa's growth and development? No! Africa did not receive total, and unconditional debt write-off nor did it see immediate fulfilment of the 35-year undertaking to devote 0.7% of the gross domestic product (GDP) of rich countries to

international development assistance. Even the most optimistic scenario suggests that the 0.7% target will only be reached by 2015. A more realistic scenario is much later than that. More seriously, no movement has been made on the critical questions of fair and just trade and market access.

So there will not be the full resources and conditions available to ensure that Africa and the poorest countries can reduce poverty and achieve their development goals. We have also not seen unconditional assistance without harmful strings attached. There has been no commitment to radically reform the international trading regime, to address market access and to end subsidies.

Instead, the G8 re-affirmed debt cancellation for 14 African countries that have reached the HIPC completion point. But it emerged that most of the new increases in aid will go towards writing off the debt for these countries. So the idea of \$25-billion extra per annum could very well go towards paying for debt but the fine print will be accounted for as both debt and aid. It also re-affirmed the declaration of the EU to double grants to Africa, while pledging R325-billion in grants immediately – with possibly R37,5-billion in new money from Japan, France and UK. While it stated the right of African countries to choose their own trade policies, there was no deadline for the elimination of subsidies, which has been referred to the WTO.

The G8 made commitments in regard of universal access to HIV/AIDS drugs, and pledged new monies for peacekeeping, but on both these, pledges were vague. The same is true for the promises. The G8 undertook to provide financial resources for the AU and APRM help African countries to tackle corruption and the acknowledgement of the need to speed up the reparation of stolen assets. A bland promise was also made to promote growth in Africa.

It is not clear how they plan to do it, but the G8 promised to stimulate growth to improve the investment climate, to make growth work for Africa; help build Africa's capacity for trade and mobilise resources for investment in infrastructure. Not all the pre-summit requests were met and many commitments remain vague. There has clearly not been the all-inclusive compact, for which Africans had hoped.

WHAT PRICE FOR MUTUAL RESPONSIBILITY AND CIVIL SOCIETY?

African states and civil society alike should realise that the recent G8 Summit does not go far enough on the basis of mutual accountability and responsibility and the politics and economics of redress. The G8 does not believe it has to account to Africans nor does it owe Africa anything. Their attitude suggests that they are doing Africans a favour.

So, whether it is in the context of Nepad, the G8-Africa Action Plan, the UN Millennium Project, or the CFA, Africa is not getting the support needed to eradicate poverty and achieve sustainable development because the West does not see it to be in their interest to do so. The industrialised powers are not coming through with much needed support nor are they meeting the obligations and implementation of promises made. When they do commit to assistance, they do so on an *à la carte*, pick-as-you-please basis, with scanty commitments.

They did not commit to the full range of development, aid, debt relief, and trade and investment requirements. So the G8 and western efforts will not have much positive impact on Africa unless the whole compact is honoured. A *laissez-faire* approach, and an approach, which regards cooperation with Africa as charity, not hard-core interest, will not work. African civil society should continue to challenge this paradigm and campaign for a more developmental paradigm to be pursued by Africans. They should also continue to remind the West about their historical obligations towards Africa.

On debt, G8 relief is given in the context of the HIPC initiative, suggesting that when this particular process is complete, only 12 of the 26 recipient sub-Saharan countries are earmarked, and these 12 would still have unsustainable debt burdens. The relief given is therefore, by no means comprehensive. Most African states have not even been considered for debt relief by the G8. The MDGs in Africa will remain a pipedream for as long as 100% debt cancellation is not catered for. This trend of half-hearted support and commitments from the G8 is likely to persist in the future, suggesting that Africans will have to consider more intra-African solutions to address debt and trade challenges. African civil society should continue to lobby and push for a more comprehensive debt eradication pact and

engage their counterparts abroad to put pressure on their governments to live up to these obligations.

In terms of aid, too, there is nothing from the G8 Summit which suggests that outside powers are moving beyond the piecemeal, ad hoc and short-term programme oriented aid regimes of the past. More importantly, there is little guarantee that funding will be streamlined with national development priorities of African states. Africa needs predictable, long-term aid with ownership shifting to Africans. Civil society is well placed to advance this agenda and insist on a greater developmental paradigm, chances are that the paradigm of 'donor democratisation' in Africa would continue with ease.

But there is also a problem of Africans not advancing proper developmental programmes and strategies. African civil society should hold their governments accountable for real development. They should not do so because the West insists on it but because it is in Africa's own interest to advance real development and progressive solutions. Indeed, Africans still rely too much on externally devised plans as opposed to genuine national development strategies. Africans can hardly idle around and wait for the G8 to act and pronounce on barren pledges.

In short, Africans should continue to seek redress and resource transfers from the industrialised powers. However, Africans should also commit to greater intra-African solutions on politics, economics, trade and social policy matters to address the continent's massive development challenges. They should do so not just as a trade-off with the North but because it is vital for Africa's own development.

Africa can also not hope to address the continent's vast problems for as long as instability, war and violent conflicts persist. Development can only occur in the context of democratic governance, peace and security, and economic growth. Africans should realise the urgency for them to begin to articulate home-grown developmental strategies and programmes rather than continuing to peg all their policy eggs in the basket of the G8 and other international initiatives.

15

Landsberg is the director of the Centre for Policy Studies