

# Un-blurring the Vision

**An Assessment of the  
New Partnership for Africa's Development  
by South African Churches<sup>1</sup>**



***“Africa’s struggles for self determination and racial equality, particularly the campaign against apartheid, helped shape many international human rights instruments. This is a debt the world owes to Africa, but which is not often recognized. Africa’s recent initiatives for political and economic recovery offer opportunities for the international community to begin to redeem that debt. We must create true partnerships with African peoples and institutions if real change is to take place in the material conditions of the people and enduring democratic foundations are to be strengthened or built.” Mary Robinson, UN High Commissioner for Human Rights, 10 December 2001***

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<sup>1</sup> This paper was drafted by the SACBC Justice & Peace Department. It was developed through various ecumenical consultations hosted by the South African Council of Churches (SACC) and the Southern African Catholic Bishops' Conference (SACBC). Picture courtesy of CRS.

# CONTENTS

## Summary

### 1. Introduction

### 2. What is NEPAD?

### 3. Our Motivation for Assessing NEPAD

### 4. Signs of the Times

- 4.1. Conditionality from Below
- 4.2. Poverty Reduction Strategy Papers
- 4.3. An African Negotiating Bloc
- 4.4. Ending Wars & Building Solidarity
- 4.5. Free Market Fundamentalism
- 4.6. Transparency & Democracy
- 4.7. Perceptions of Africa
- 4.8. Africa on the Global Political Agenda
- 4.9. Immediate Action on Poverty
- 4.10. Power Imbalances
- 4.11. Privatisation
- 4.12. Reparations

### 5. Which Wedding Garments to Wear for the New Partnership?

- 5.1. Africa-Owned Conditionality?
- 5.2. Beyond Poverty Reduction Strategy Papers?
- 5.3. A New African Bloc?
- 5.4. Ending Africa's Wars
- 5.5. The Free Market & Africa's Recovery
- 5.6. Democratic Participation?
- 5.7. Changing Perceptions of Africa
- 5.8. Africa on the Global Agenda
- 5.9. Poverty is a Secondary Focus
- 5.10. Redistributing Power?
- 5.11. The Lure of Privatisation
- 5.12. What About Reparations?

### 6. That We May Have Life

- 6.1. Mustard Seeds
- 6.2. Building on Unstable Ground
- 6.3. Restoring Our Vision
- 6.4. Dealers in the Temple

### 7. Diversion & Selectivity: The G7 Response to NEPAD

- 7.1. Corruption as an Obstacle to Africa's Development

### 8. Conclusion

### Appendix: The Millennium Development Goals

## **Summary**

Africa's social, economic, and political relations urgently need to be transformed through a focused and determined international effort if Africa is to be lifted out of the poverty trap. The New Partnership for Africa's Development (NEPAD) presents itself as a visionary and dynamic initiative by a core group of new generation African leaders to reconstruct and develop the continent.

### **Blurred Vision**

But NEPAD's vision is blurred by fixing its sights on increased global integration and rapid private sector growth as the answer to overcoming poverty, and by its failure to engage with Africa's people to transform the continent. The remarkable political will generated by NEPAD must be focused into a participatory transformation of Africa through direct, immediate, and decisive action to overcome the causes of Africa's impoverishment.

### **The Role of the Church**

The church is committed to engaging with Africa's legitimate political leaders in the interests of the common good of Africa's development. We are called by God, together with all people of faith and good will, to restore our collective vision for 'a new heaven and a new earth' no less than we are called to bring individual or personal healing and peace. The church continues the mission of Christ at the service of humanity and the earth when we engage with NEPAD to 'bring the good news to the afflicted, proclaim liberty to captives, sight to the blind, to let the oppressed go free, to proclaim a year of favour from the Lord'.

### **Proclaiming Good News**

The general issues addressed by NEPAD are not entirely new but NEPAD does contain several promising aspects that could give renewed hope and life to Africa's people. NEPAD can strengthen accountability and effective collaboration between African governments in a way that has not happened before. This can build peace and stability and holds out the possibility to develop an authentic development model that is appropriate to Africa's needs rather than simply adopting inappropriately imposed conditions that damage African communities. NEPAD puts Africa's development firmly on the global agenda and generates a new confidence in Africa that corrects perceptions of Africa as a doomed continent.

### **People, Poverty, & the Prophetic Mission of the Church**

NEPAD contains some problematic elements that have proven to be ineffective in building peaceful, just, and caring societies in Africa. Its economic strategy is discredited by the harsh impact on the poor in African countries that have already adopted similar policies. It pretends to be unaware of the severe negative social impact that rapid privatisation of basic and social services has on impoverished communities in Africa. It fails to address the underlying power relations that constrain Africa's development. It does not provide a decisive mechanism to repair the persistent damage done to individuals, families, whole societies, and environments in Africa's history. Most of all, NEPAD has neglected Africa's people both in the process of its construction and in its primary focus. If NEPAD does not focus on Africa's people first, it can result in an increasingly divided Africa at the continental and national levels.

NEPAD must focus primarily on immediate poverty eradication interventions that will deliver direct benefits to the poor rather than its current focus on a long-term and indirect development strategy. Meaningful debt cancellation for Africa must be prioritised as a pre-condition for Africa's sustainable development, so that budget support can be provided for public investment in social services such as health care and education and the provision of water and electricity. NEPAD must also propose decisive structural changes to the current international financial and trade systems, including proposals such as an international currency transaction tax and special protection for vulnerable African industries.

## **The Pastoral Mission of the Church**

The church must participate with energy and commitment in Africa's reconstruction and development. We therefore engage with NEPAD in a spirit of mutual responsibility and commitment to building a better world for Africa's people. Our first task is to promote broad-based popular dialogue on NEPAD. NEPAD's structures should equally be directed to this purpose. Faithful to continuing the mission of Christ, the church must also continue to raise the collective public conscience about the ethical choices that lie at the heart of the current global financial, trade, and political systems in which NEPAD proposes Africa should participate more actively.

## **The G7 Response to NEPAD**

In the same way that African countries are willing to undertake a path of self-criticism and renewal, G7 leaders must make a firm commitment to support Africa according to the priorities and plans that are set through participatory and democratic processes in African countries. Ending the scourge of corruption cannot be seen as the responsibility of Africa exclusively because corruption is a global problem that could be worsened by increased foreign trade and private investment in Africa. A G7 over-emphasis on the "cost-free" elements of NEPAD such as peace-building and governance issues and on private sector development alone, without a corresponding commitment to support Africa's reconstruction and development in additional material budget-support terms, reinforces the distrust that makes many believe that African development based on the hope of a new partnership with rich countries is not viable.

## **Un-blurring the Vision**

While NEPAD's analysis of the problems that confront Africa is accurate and its end goal of an African continent free from war and poverty expresses the deep-felt hope of all Africans and people of good will, the economic path it chooses is bound to fail this mission.

NEPAD's vision is blurred by setting its sights on the hope that greater global integration will save Africa. Yet NEPAD's vision can be restored if Africa's leaders enter into a new partnership with their people. The vision of a new Africa dawning in the 21<sup>st</sup> century is too precious to be lost because we failed to see that Africa's children, men, and women are its greatest treasure.

## 1. Introduction

The world has treated Africa harshly in the past no more than it does now. Africa in the global human community today is like Lazarus surviving on the crumbs of the rich man's table.<sup>2</sup>

While Africa holds ten percent of the world's population, seventy-five percent of the world's people living with HIV/AIDS are in Sub-Saharan Africa<sup>3</sup> and one-third of the world's poorest people live in Africa. Half the continent's population lives in absolute poverty.<sup>4</sup> Africa has inherited a legacy of weak states and bad governance systems. Africa exports thirty percent more today than it did in 1980 but receives forty percent less income from these exports than it did in 1980 due to global forces beyond its control.<sup>5</sup> Nearly half of the estimated 515,000 women who die annually from pregnancy or child birth are African meaning that one African woman in 13 dies during pregnancy or childbirth.<sup>6</sup> After more than fifteen years of Structural Adjustment Programmes (SAPS)<sup>7</sup> unemployment rates are estimated to be well above forty percent on the continent. Nineteen thousand children die in Africa each day as a result of preventable diseases and malnutrition.<sup>8</sup> Yet Sub-Saharan Africa has a foreign debt of more than \$170 billion and pays creditors \$40 million a week to service debts<sup>9</sup> accumulated as a result of the cold war, apartheid, and failed projects.<sup>10</sup> Despite some remarkable African efforts at reconciliation, endless wars and genocide have ravaged the continent without the world being too concerned. Unscrupulous companies have plundered natural resources, destroying whole environments and social systems on the continent. Even

<sup>2</sup> cf Luke 16:19f

<sup>3</sup> Final Declaration of Commitment on HIV/AIDS of the 26<sup>th</sup> United Nations General Assembly Special Session, 27 June 2001.

<sup>4</sup> Rural Poverty Report 2001, United Nations International Fund for Agricultural Development; see [www.un.org](http://www.un.org).

<sup>5</sup> Unpublished paper by Kairos Canada


<sup>6</sup> Africa Recovery, Vol.16, no.1, April 2002

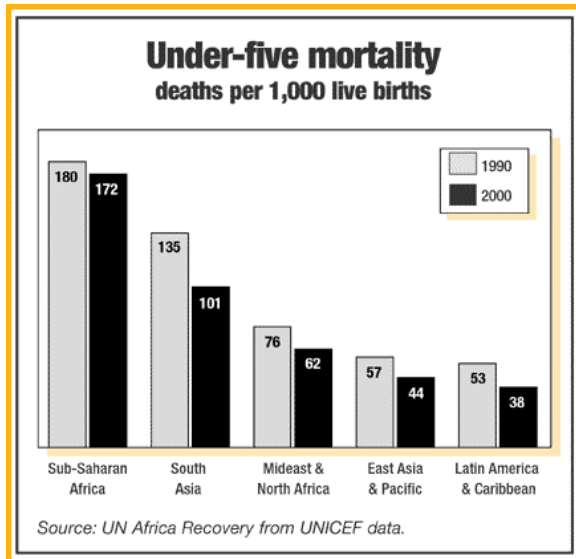
<sup>7</sup> For over fifteen years the World Bank and International Monetary Fund have attached conditions to the granting of loans and, more recently, debt relief. In the past, these conditions consisted of packages of reforms known as Structural Adjustment Programmes (SAPs), which required countries to focus on two things: reducing government spending and increasing export earnings.

<sup>8</sup> United Nations Development Programme; see [www.un.org](http://www.un.org).

<sup>9</sup> The Vicious Circle: AIDS & Third World Debt, World Development Movement, June 2001; see [www.wdm.org.uk](http://www.wdm.org.uk).

<sup>10</sup> "Between 1957 and 1995 the US provided \$22 billion of aid to sub-Saharan Africa, of which \$5 bn went to Zaire under Mobutu, Somalia under Siad Barre, Sudan under Numeiry, and Liberia, mostly under Doe. That aid was lost. But the US was not alone. There had been problems with Swedish aid in Tanzania, Belgian aid in Zaire, Italian aid in Somalia and many other examples". (Carol Lancaster on the critical role of donors as decision makers on the purposes of aid, and as the designers, implementers and evaluators of that aid). Carol Lancaster is a former Deputy Director of the US Agency for International Development (USAID) and currently a professor at Georgetown University in Washington, DC. Quoted in Africa Recovery, Vol.13, no.2-3, September 1999 - part of special feature on UN Economic Commission for Africa conference "Financing for Development"; see [www.un.org](http://www.un.org)

<b>Statistics at a glance*</b> <i>Children in Africa</i>	
	
<b>HEALTH:</b>	
Under-5 mortality (deaths per 1,000 live births)	172
Under-5 immunized against DPT** (%)	47
Under-5 underweight (%)	28
Under-15 HIV-positive	2,400,000
<b>EDUCATION:</b>	
Net primary school enrolment, boys (%)	60
Net primary school enrolment, girls (%)	53
Primary school age, not in school (%)	39
Gov. spending on education (% total budget)	15.2
<b>QUALITY OF LIFE:</b>	
Children working, ages 5-14 (%)	41
AIDS orphans	12,100,000
Birth registration (per 100 births)	22
Under-18 child soldiers	120,000
<small>Source: UN Africa Recovery, based on data from UNICEF, UNESCO, ILO, WHO, UNAIDS, World Bank, Coalition to Stop the use of Child Soldiers.</small>	
<small>* Data from most recent year available.            ** Diphtheria, pertussis (whooping cough) and tetanus.</small>	



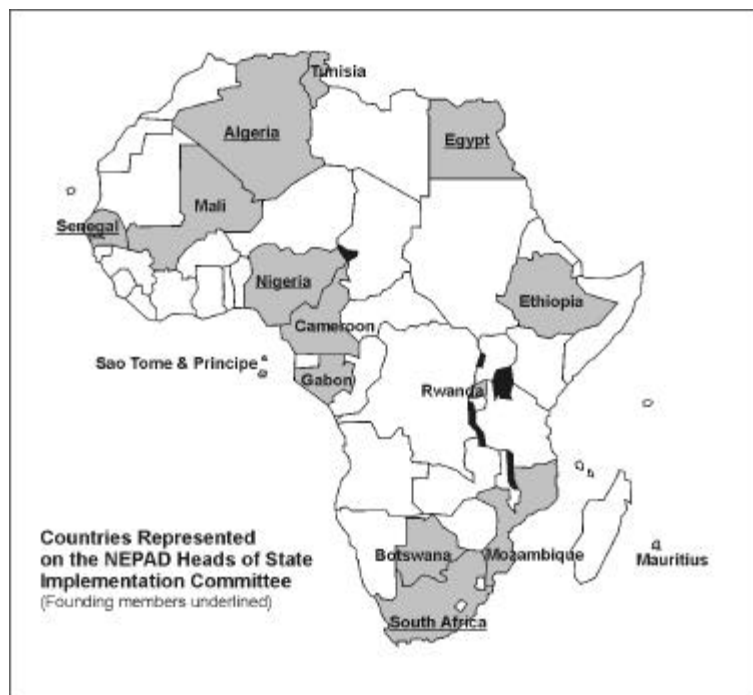
still, Africa's people have hope that a better life is possible in the twenty-first century.

The New Partnership for Africa's Development (NEPAD) presents itself as a dynamic and visionary initiative by a nucleus of new generation African leaders to transform Africa into a continent of peace and prosperity. It proposes to make this the African century, through a new qualitative relationship between Africa and the rest of the world. But NEPAD's vision is blurred by where it fixes its sights to generate new energies for Africa's reconstruction and by the blinkers that constrain its consideration of the realms of possibilities for Africa's economic development. Its popular dynamism is restricted by its failure to see beyond the dogmatic and exclusionary tunnel vision of the emergent global state. The political will generated by NEPAD must be focused into a

truly participatory transformation of Africa through direct, immediate, and decisive action to overcome the causes of Africa's deepening impoverishment.

## 2. What is NEPAD?<sup>11</sup>

President Thabo Mbeki's inspirational speeches about the need for an African Renaissance culminated on 11 July 2001 when the Organisation for African Unity (OAU) Summit approved the New African Initiative (NAI), born from the merger of President Mbeki's Millennium Partnership for Africa's Recovery Programme (MAP) and President Wade's Omega Plan. The Heads of State and Implementation Committee meeting in Abuja, Nigeria on 23 October 2001 agreed on NEPAD, finalised a policy document and accepted a governing structure for NEPAD. This launched the implementation phase of the NEPAD.



Conceived and developed by a core group of African leaders, NEPAD describes itself as a 'comprehensive integrated development plan that addresses key social, economic and political priorities for the continent'. It includes a commitment by African leaders to African people and the international community to place Africa on a path of sustainable growth, accelerating the integration of the continent into the global economy. It calls on the rest of the world to partner Africa in its development based on Africa's own agenda and programme of action.

To drive the achievement of its goals, NEPAD established an Implementation Committee of Heads of Government, a Steering Committee of personal representatives of each of the five NEPAD founding countries, and five working teams to focus on specific NEPAD initiatives as follows:

<sup>11</sup> Based on: *NEPAD Policy Document; NEPAD in Brief; Rapporteur's Report, Work In Progress 1203* all at [www.nepad.org](http://www.nepad.org), and on the Southern African Regional Poverty Network's (SARPN) update newsletter no. 5 available at [www.sarpn.org.za](http://www.sarpn.org.za).

- Peace and Security - South Africa, with the Organisation of African Unity (OAU)
- Economic and Corporate Governance – UN Economic Commission for Africa (ECA)
- Infrastructure – Senegal with the Africa Development Bank (ADB)
- Agriculture and Market Access - OAU
- Financial and Banking Standards - ADB with Nigeria.

Algeria declared an interest in the human development sector while Egypt has a role in the market access and market diversification working team.

In addition, a small secretariat was established in Midrand, South Africa, to coordinate the production of business plans for the priority areas:

- Political governance (including Peace and Security) and Conflict Prevention, Management and Resolution
- Economic and corporate governance including the measurement of economic governance performance and a peer review mechanism
- Infrastructure including information and communication technology (ICT), water and sanitation, transport and energy
- Agriculture and market access including harmonising standards to encourage intra African trade, enhancing trade capacity through diversification and adding value, exchange rate management and encouraging private sector engagement with NEPAD, and creating uniformity and rationalisation by developing standard protocols and guidelines for negotiating international agreements and rationalising regional economic initiatives.
- Human development including health and communicable diseases, education and poverty eradication
- Capital flows including mobilising domestic resources, maximising private capital flows, reforming official development assistance (ODA) and identifying goals, criteria and mechanisms for debt reduction.

These plans of action were presented for approval by the Heads of State Implementation Committee (HSIC) at its meeting on 25 – 26 March in Abuja. The final versions will be presented to the African Union (AU) Summit in July in South Africa. The programme will also be presented to the G7<sup>12</sup> Summit in June in Canada.



### NEPAD Steering Committee Members

Country	Representatives
Algeria	Amb M'hamed Achache & Amb Rabah Hadid
Egypt	Amb Mona Omar & Amb Raouf Saad
Nigeria	Amb Isaac Aluko-Olokon & HC Tunji Olagunju
South Africa	Prof Wiseman Nkuhlu (chair) & Mr Smunda Mokoena
Senegal	Dr Cherif Salif Sy & Mme Gnounka Diouf

Source: Southern African Regional Poverty Network

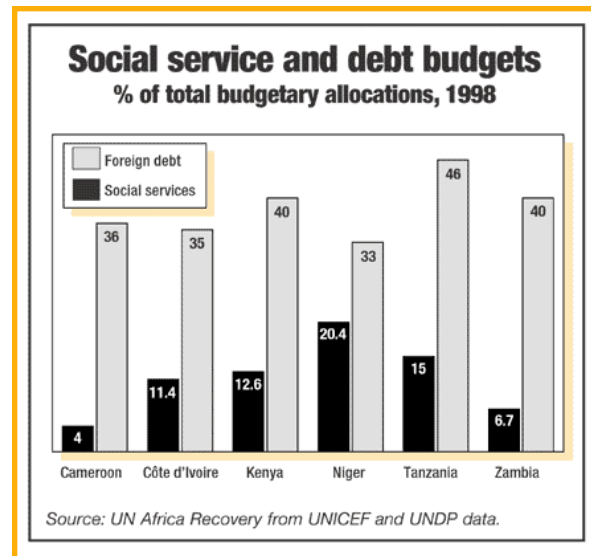
<sup>12</sup> The G7 countries are the United States of America, the United Kingdom, France, Italy, Germany, Japan, and Canada. When Russia joins the G7 meetings, it is known as the G8. A representative of the European Union now also joins the G8 meetings.

### 3. Our Motivation for Assessing NEPAD

The church is no expert on social, economic, and political development. It does, however, have a rich history in human development. Indeed the church must articulate its concern for *humane* development. Through its global rootedness in local communities on both sides of the poverty and riches divide, its primary concern for the poor, and its profound influence on Africa's historical development, the church is well-placed to articulate an informed assessment of the possibilities that NEPAD offers.

The church continues the mission of Christ at the service of humanity when it engages NEPAD. We declare with Christ:

"The spirit of the Lord is on me, for he has anointed me to bring the good news to the afflicted. He has sent me to proclaim liberty to captives, sight to the blind, to let the oppressed go free, to proclaim a year of favour from the Lord".<sup>13</sup>



The church is called by God, together with all people of faith and good will, to restore our collective vision for 'a new heaven and a new earth' no less than we are called to bring individual or personal healing and peace.<sup>14</sup>

Accordingly, our comments on NEPAD are informed by:

- The **experience** of the majority of people in impoverished African countries and the experience of participation in popular struggles for global social and economic justice in a world that is rapidly undertaking a process of globalisation.
- **Analysis** arising out of a process of attempting to understand the motivations for, dynamics within, process towards, and content of the current NEPAD proposals, through engagement with the NEPAD secretariat, discussions with some NEPAD engineers, participation in seminars and public events on NEPAD, engagement in civil society forums intended to analyse NEPAD, and a general assessment of the social, political, economic, and ecological terrain in which NEPAD emerges.
- **Reflection** that gives rise to an evaluation of NEPAD based on values and principles inherent to the church's tradition of social engagement:
  - Justice – based on our belief in the equal and inherent dignity that the Creator instils in all people, and on our belief that all people should equitably be afforded the gifts of life to attain their full human development.
  - Solidarity – that gives social and material expression to the common humanity we share in a communion held by our faith in a common Source.
  - The common good – that places a premium on the collective best interests of the human community, irrespective of economic status, ethnicity, nationality, gender, or religion.
  - Subsidiarity – that recognises the individuality and human agency inherent to persons, and offers people the opportunity to participate effectively in the decisions that affect their lives.
  - The common destiny of goods – that sees all material resources in the first instance as public goods in the stewardship of all humanity, so that in the interests of the common good, a social 'mortgage' is understood to be in effect on privately held resources.
  - The integrity of creation – that transcends narrow human self-interest into a symbiotic respect for the Earth and the universe of which we are part, so as to limit our negative impact on the life of the world for all generations to come.

<sup>13</sup> Luke 4: 18 – 19

<sup>14</sup> cf Romans 8: 19 – 22, 1 Corinthians 3:22 & 15:20 –28, Ephesians 1:10 & 4:10, Hebrews 2:5 – 8, 2 Corinthians 5:17

The primacy of the poor – that places greatest priority on removing the structural imbalances that cause large numbers of people to suffer because they are denied the means to make a living and live in material dignity.

Reconciliation – that seeks to actively transform histories of division, oppression, destruction, and abuse into respectful, corrective, truthful, and healing relations.

Peace – the goal of inclusive, collective well-being which recognises the dignity of all people and the integrity of creation, and manages conflict in a manner that promotes human progress.

This assessment is intended to stimulate further and more focused debate about what NEPAD means for us as Africans and as Christians. It does not pretend to be either exhaustive or definitive, but is meant to encourage discussion, reflection, and action. It is a preliminary articulation of a considered position on NEPAD that goes beyond rhetoric and public posturing, in the firm belief that a better world is possible for Africa's people.

## 4. Signs of the Times

NEPAD is not the first development plan put forward by African leaders. There have been other plans that have not mustered the required international political will to be implemented, such as the Lagos Plan of Action (1980).

Leaders of industrialised countries have argued that NEPAD is more acceptable than previous plans because:<sup>15</sup>

- Africa's current trend demands immediate intervention if the Millennium Development Goal<sup>16</sup> of halving world poverty by the year 2015 is to be met;
- NEPAD says what donor governments have been waiting to hear for a long time but have not heard in previous plans;
- NEPAD has 'ownership' across the African continent; and
- No amount of Official Development Aid (ODA) will fix Africa's problems without private foreign direct investment (FDI) as a top priority, as NEPAD proposes.

Nor are the issues addressed by NEPAD entirely new. Particularly over the past eight years, debates have raged within international institutions and national political processes about many of the issues that NEPAD identifies as key areas for Africa's recovery, much of it focused on the economic and political relations between North and South countries. NEPAD takes a particular approach to these various issues that is characterised by an effort to transform North-South relations into one of "partnership". This can be interpreted to be a pragmatic, middle way approach that tries to blur clear choices between, for example, immediate poverty eradication programmes and long-term economic growth strategies, or debt cancellation and sustained debt servicing.

A review of the various issues that have been under the spotlight in the past period is instructive for a credible assessment of NEPAD's positions.

### 4.1. Conditionality From Below

NEPAD is essentially about the problem of conditionalities associated with international financing arrangements. It is an initiative by a nucleus of African governments to take ownership of determining the conditions under which international financing is provided so as to ensure the coherence, consistency, and political legitimacy of such conditionality.

Church-based agencies active in campaigns and movements (such as the Jubilee movement) for global social and economic justice argued in the past for 'conditionality from below'. This was intended to be a form of self-imposed conditionality by African countries through processes of popular civil society participation as compared to conditions being unilaterally imposed by creditors and donors. It was meant to ensure that international financing and the proceeds of debt cancellation are channelled

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<sup>15</sup> Address by Ambassador Robert Fowler (Canada) during the Canada-Africa civil society consultation on NEPAD, Montreal, 5 May 2002 (unpublished); see [www.acdi-cida.gc.ca](http://www.acdi-cida.gc.ca).

<sup>16</sup> See the appendix at the end of this paper for a summary of the Millennium Development Goals.

to poverty eradication rather than savings, arms procurement, new debt servicing, or other expenditure that would not directly reduce current levels of impoverishment, through nationally determined democratic processes.

## 4.2. Poverty Reduction Strategy Papers

In 1999 – 2000, the multilateral institutions<sup>17</sup> partly adopted these arguments under the rhetoric of “ownership” through the introduction of the Poverty Reduction and Growth Facility (PRGF), i.e. the renamed Enhanced Structural Adjustment Facility (ESAF).<sup>18</sup> They made national processes for compiling Poverty Reduction Strategy Papers (PRSPs) mandatory for all highly indebted poor countries (HIPC)s<sup>19</sup> that wanted to qualify for debt relief under the International Monetary Fund (IMF) and World Bank’s HIPC initiative. However, after active participation in national PRSP processes, PRSPs were widely regarded by popular civil society organisations across Africa as inadequate and ineffective<sup>20</sup>, even though the IMF/World Bank’s internal review of the PRSP process declared a consensus that PRSPs were valuable processes that were improving, but that HIPC countries had to be more “realistic”<sup>21</sup>.

Many countries were rushing through inadequate PRSP processes because PRSPs were tied as a condition for debt relief, and national PRSPs had to go back and forth between the HIPC countries and the IMF/World Bank up to six times for amendments before they were to be finally approved by the IMF/World Bank. In the end, PRSPs turned out to be little more than the old Structural Adjustment Programmes (SAPs).<sup>22</sup> They were not delivering enough debt relief to be able to seriously address poverty. However, not all African countries are classified as HIPC)s – Nigeria and South Africa, for example, do not fall into this IMF/World Bank category and therefore did not qualify for any debt relief under this plan.

## 4.3. An African Negotiating Bloc

As a result of the political impasse in delivering meaningful debt cancellation the global movement for socio-economic justice (including the churches) made strong calls on African governments to stand together as a political bloc, a “debtors’ cartel” that would share a negotiating position. This position was strengthened through the experience of the 1999 World Trade Organisation (WTO) meeting in Seattle which failed to open a new round of trade negotiations because most African governments adopted a common position which they were not prepared to compromise unless previous unresolved WTO discussions relevant to Africa’s needs were finalised.

The promotion of the need for African governments to stand together was intended to move towards a position of debt repudiation if meaningful debt cancellation was not delivered by the end of the year 2000. However, debt repudiation was considered to be a non-viable option by the G77<sup>23</sup> Havana summit because of the unique situations of some poor countries that would be unable to survive the economic consequences.

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<sup>17</sup> i.e. The International Monetary Fund (IMF) and the World Bank.

<sup>18</sup> See [www.imf.org](http://www.imf.org).

<sup>19</sup> 34 out of the 41 countries identified by the IMF and World Bank as HIPC)s are in Africa, 4 in Latin America, and 3 in Asia. The countries are: Angola, Benin, Bolivia, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Comoros, Congo, Côte d’Ivoire, Democratic Republic of the Congo, Ethiopia, Gambia, Ghana, Guinea, Guinea-Bissau, Guyana, Honduras, Kenya, Lao PDR, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Myanmar, Nicaragua, Niger, Rwanda, São Tomé and Príncipe, Senegal, Sierra Leone, Somalia, Sudan, Tanzania, Togo, Uganda, Vietnam, and Zambia. However, it should be noted that the IMF/World Bank’s “debt sustainability” analysis in 2000 indicates that Yemen has a “sustainable debt burden” after the application of the IMF/World Bank’s debt relief mechanisms. Angola, Kenya, and Vietnam are also seen to be “sustainable” without special help from the Initiative. The IMF/World Bank may change this list from time to time. (source: [www.imf.org](http://www.imf.org)).

<sup>20</sup> See Report On PRSP Process and Content of the five African Countries with Full PRSPs, African Forum & Network on Debt & Development, Harare, 30 April 2002.

<sup>21</sup> See the IMF’s poverty reduction reports at [www.imf.org](http://www.imf.org).

<sup>22</sup> See [www.wdm.org.uk](http://www.wdm.org.uk) for the report The Vicious Circle: AIDS & Third World Debt, World Development Movement, June 2001.

<sup>23</sup> The G77 is a collective of heads of state and government of South countries, as compared to the G7 that is comprised of the heads of state and government of the world’s seven richest countries.

#### **4.4. Ending Wars & Building Solidarity**

The churches and the global movement have also been very critical of the wars and massive expenditure on armaments that have continued to plague Africa since colonial times. With its focus on poverty eradication, the churches have demanded an end to wars and have promoted the development of greater solidarity amongst the peoples of Africa – Anglophone-Francophone, North-Sub-Saharan, South-West, etc.

#### **4.5. Free Market Fundamentalism**

The socio-economic justice movement in Africa, with strong support by the churches, heavily criticised the market fundamentalist paradigm that has increasingly gripped the continent's national macro-economic policies, directly linked to the conditionalities associated with international financing and policy advice from the IMF/World Bank. The major critique has been that market fundamentalist structural adjustment programmes across Africa have:

- deepened poverty;
- been designed to ensure maximum debt repayment;
- increased inequality;
- resulted in spiralling unemployment;
- led to increased costs for basic services, food, fuel and energy supplies, and social services;
- left African economies more vulnerable than they ever were before;
- promoted values were detrimental to social development in Africa; and
- deepened social and political instability on the continent.

#### **4.6. Transparency & Democracy**

A related major concern for the churches and global public action campaigns has been democratic control of governments through participatory processes, especially in determining economic policies. The trend of increasing dependence by African governments on advice from institutions like the IMF and World Bank has led to a corresponding decrease of transparent and accountable processes of democratic public policy decision-making. Parliaments throughout Africa routinely do not have control over budget choices, nor do they participate effectively in monitoring public expenditure. There has especially been strong resistance by national treasuries and the international financial institutions to ensuring effective parliamentary (and thus, public) oversight on new borrowing.

#### **4.7. Perceptions of Africa**

There has been ongoing concern amongst key African development practitioners that the continent is portrayed exclusively as a hopeless case of endless wars, corruption, disease, and dictatorship. The May 2002 cover story of *The Economist*, for example, declared Africa to be "The Hopeless Continent".<sup>24</sup> The natural beauty, cultural richness, hospitality and sense of celebration, richness of natural resources, academic excellence, and technical skill throughout the continent does not form part of the image of Africa that most leaders and citizens of countries outside the continent have. Most of all, examples of progress or sites of commercial development or beauty are either ignored or seen as "un-African". This perception has a serious negative impact on Africa in many spheres.

#### **4.8. Africa on the Global Political Agenda**

Africa had largely fallen off the global political and development agenda since the end of the cold war. Recent global socio-economic justice campaigns sought to place Africa, as the continent with the most extreme poverty, squarely back on the agenda by exposing the contradictions in current development paradigms as they played themselves out in Africa. However, the global political and economic policy regime resisted any real engagement with the debate on the terms outlined by the public action groups and succeeded in constantly out-manoeuvring campaigners, including the churches, in the global public perception. They succeeded, for example, in creating the false perception during the 1999 G7 summit in Cologne that the debt crisis had been resolved.

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<sup>24</sup> Cited by Prof Ben Turok MP in a review of NEPAD. For his thoughts on NEPAD see *New Agenda*, Second Quarter 2002, p122f.

#### **4.9. Immediate Action on Poverty**

An overriding concern in the many public action campaigns that were undertaken in recent years was to ensure that economic systems are transformed to deliver direct and immediate benefits to the poor in Africa through global structural and policy changes to the current system and through redistributive measures. However, the global economic policy regime maintained the ideological position that private capital led economic growth, in the hands of a few, would eventually 'trickle down' to the poor and that that was the most effective and sustainable way to overcome poverty. Well-developed civil society proposals for corrective changes to the system such as the introduction of an international currency transaction tax to raise finances for poverty eradication and to protect vulnerable developing country economies were consequently ignored.

#### **4.10. Power Imbalances**

The limited success of concerted global action by civil society organisations to secure a better deal for the world's poor exposed the problematic of the power relations and economic interests that underlie the contradictions in the current form of globalisation. It became clear that the mobilisation of greater popular opinion and action was required to expand the boundaries of the political space in which the debate occurs so that the current national and international power relations may be shifted in favour of the poor and excluded.

#### **4.11. Privatisation**

Major political conflict and social instability across Africa has arisen over the experience of widespread privatisation of social services and state assets. Rapid privatisation and restructuring has led to spiralling joblessness and increased costs for basic services across Africa, according to many different civil society organisations and official statistics. However, privatisation was strongly defended by the global political and economic regime, including some African political leaders, as a necessary mechanism to provide investment opportunities that would attract foreign direct investment.

#### **4.12. Reparations**

There have been consistently growing calls for the beneficiaries of slavery, colonialism, and apartheid to institute measures to repair the legacy of social, political, economic, environmental, and cultural damage that was done to Africa in its history. Proposed measures included acknowledgement of past wrongs, truth-telling, compensation, debt cancellation, preferential terms of international trade, structural changes to global economic and political systems, and some form of reconstruction plan for Africa along the lines of Europe's post-Second World War 'Marshall Plan'. These calls have been met with cynicism and rejection in international business and political circles, including during the 2000 United Nations' World Conference Against Racism.

The standard way for North-country governments to deal with the issue has been to state that they want to focus on building a better future for the world rather than focusing on what happened in the past. However, this thinking is shamelessly turned around when addressing questions of increasing poverty and inequality in the world undercurrent systems by saying that the historical development of the world over the past two hundred years reveals a dramatic trend of reduction in poverty and inequality.<sup>25</sup>

### **5. Which Wedding Garments to Wear for the New Partnership?<sup>26</sup>**

A key method for evaluating NEPAD is to assess the extent to which it offers possibilities to resolve the above problem areas relevant to North-South relations and Africa's development needs. Of course, we should not expect perfection from NEPAD. It is presented as a starting point. It presents only a framework. Nonetheless, it is a framework according to which we can assess the general

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<sup>25</sup> UK International Development Minister Clare Short, for example, strongly argued in this way that the world is on the right track to overcome poverty and inequality when she spoke on NEPAD at a seminar in Johannesburg, April 2002. See [www.sarpn.org.za](http://www.sarpn.org.za)

<sup>26</sup> cf Matthew 22:1f

direction that is taken. NEPAD may be seen as Africa's attempt to present itself in an acceptable manner to participate in the globalisation wedding feast. But the kinds of garments NEPAD chooses are telling of whose feast it is, who its guests will be, and what the quality of the marriage will be.

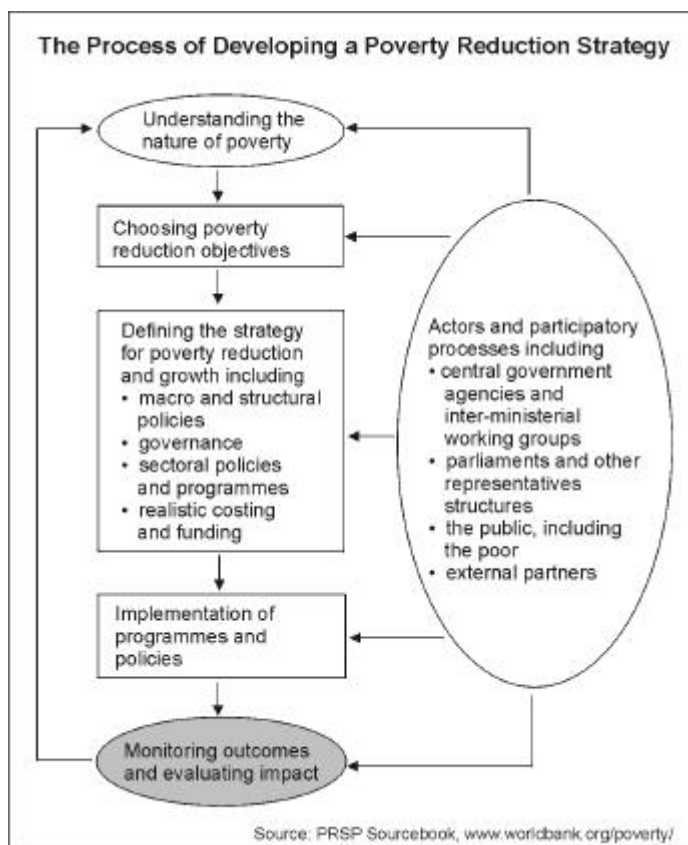
### 5.1. African-Owned Conditionality?

The NEPAD framework provides the possibility for African-controlled conditionality, even though it is an inadequate process in its current form. It is determined by a nucleus of new generation African leaders and is endorsed by the Organisation of African Unity (OAU). G77 leaders have also been consulted about its content, even though its shape has clearly been determined in consultation with the IMF/World Bank and the G7. As an outline of the conditions to which African leaders pledge themselves in entering into a partnership with the industrialised countries, NEPAD does not offer any dramatically new conditions. It largely follows the kinds of conditions that have been demanded by creditor and donor countries in the past, both in terms of governance and economic strategy. However, it does include a proposed process for mutual North-South evaluation and accountability, even though this is not developed adequately.

### 5.2. Beyond Poverty Reduction Strategy Papers?

It is still unclear whether NEPAD intends to replace the PRSP process or whether it simply intends to place the PRSP process within a more developed framework. Conflicting messages have been given by NEPAD spokespersons about this, even though the NEPAD document does indicate that debt relief should be linked to clearly identified poverty reduction plans. While NEPAD could potentially remove IMF/World Bank control of PRSPs, this would only affect countries that explicitly commit themselves to NEPAD. That would amount to the same kind of imposed conditionality on individual countries according to a similar framework as used by the IMF/World Bank, albeit now from a source closer to home. However, NEPAD can expand the scope of the poverty eradication debate to all African countries rather than only the HIPC countries because of its pan-African ownership.

NEPAD should be seen as an African continental PRSP. It follows the same logic and structure as recommended by the IMF/World Bank in developing national PRSPs, except that civil society participation has been omitted, as may be seen in the diagram alongside.



### 5.3. A New African Bloc?

NEPAD is a promising initiative to develop dynamic collaboration and accountability between African governments in a way that has not happened before. It proposes to develop a code of conduct for African leaders that will include a limitation of terms for heads of state or government, as well as an independent peer review mechanism that will make its reports public. In many ways this is driven by a 'new-boys club' rather than the established 'old-boys club' of the past. However, understood in the context of shifting geopolitical alignments on the continent, this holds out the danger that the continent may be divided along two very clear lines: those backing NEPAD and those resisting it. Nonetheless, NEPAD holds out the possibility of creating an African bloc of leaders that can, if their policy and

strategy advice is appropriate, radically alter the path of Africa's future participation in multilateral organisations.

#### 5.4. Ending Africa's Wars

Highest priority is given to conflict management and resolution and peace-building as a precondition for sustainable development. The problem of conflict and wars in Africa is correctly associated with concerns around Africa's natural resources, systems of governance, and broader issues of poverty. African governments that have been actively involved in NEPAD have already undertaken some promising initiatives to end Africa's great wars and to promote political rather than military processes for resolving conflicts that may arise. However, the Sudan war remains the biggest challenge to NEPAD's peace-building initiative.<sup>27</sup> How African governments respond in resolving the Sudan war will be the biggest test for NEPAD's general objectives of building an African consensus for peace and prosperity on the continent.<sup>28</sup>

#### 5.5. The Free Market & Africa's Recovery

**The Model of Development:** NEPAD fails to offer any alternative to the dominant market fundamentalist development model that places unquestioning faith in uncontrolled, private sector led, rapid economic growth as the answer to the problem of rampant poverty, despite the evidence that this strategy in fact deepens poverty, increases unemployment, and widens inequality in the short and medium term, while making national economies extremely vulnerable to speculative capital and 'market sentiment'. NEPAD in fact promotes a market-driven strategy as the solution to Africa's problems, effectively sacrificing the poor who are here now for some uncertain end in the distant future.<sup>29</sup>

**Social Spending:** NEPAD will require more fiscal austerity from African governments, especially in the delivery of social and basic services. Even though health care and education are addressed in the document, this cannot be interpreted to mean additional resources for education and health care being channelled through national budgets. Rather, resource mobilisation will happen through 'public-private partnerships', special global funds, and other unreliable measures.

**Debt Cancellation:** NEPAD will propose a new approach to debt relief in that it links debt relief to government revenues and government spending on poverty reduction programmes according to nationally determined goals. The problem is that NEPAD is expected to propose a cap on debt servicing up to 10% of government revenues in this way. Such projections on debt sustainability are similar to those of the IMF/World Bank that have failed to deliver meaningful debt relief.<sup>30</sup> Much more significant debt cancellation is required if real inroads to counter poverty are to be made. NEPAD, if taken seriously by industrialised countries within the framework of a 'new partnership' with Africa, should offer the prospect of total debt cancellation for a new beginning. In addition, special consideration must be given to odious debts such as those of Nigeria and South Africa.<sup>31</sup>

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<sup>27</sup> The Zimbabwean crisis is, of course, another challenge to NEPAD. However, it is an open secret that President Mugabe's government does not favour NEPAD and that alternative approaches will be required to resolve the Zimbabwean situation. It can be expected that this will take the form of selective isolation of Zimbabwe's economy, given that attempts to engage Zimbabwe's opposing political leaders in a national dialogue to resolve their conflicts are proving unsuccessful. This amounts to a challenge on NEPAD's North-country backers to ensure real benefits flow as reward to African countries that actively support NEPAD. It also raises the serious ethical dilemma of punishing large numbers of impoverished people in countries whose governments are seen to be problematic according to the NEPAD model.

<sup>28</sup> Failed states such as Somalia and Congo-Kinshasa also raise fundamental challenges to NEPAD. In these contexts, it is critical to build strong states but NEPAD adopts a model that reduces the direct developmental role of the state in favour of a stronger role for the private sector. The question is whether NEPAD's "one-size-fits-all" proposal, similar to the dogmatic way in which the IMF/World Bank have traditionally applied their policies, will yield any results in such situations. In addition, such questions throw up the strategic problem that NEPAD tends to focus on a select group of stronger African countries that are seen as potential engines of growth and development for the whole continent, to the likely detriment of economically and politically weaker African countries.

<sup>29</sup> For a critical annotated commentary on NEPAD's economic model by Prof Patrick Bond and NGO statements rejecting NEPAD's economic plan see [www.aidc.org.za](http://www.aidc.org.za).

<sup>30</sup> of A Participatory Approach to Partnerships for Africa's Development, CAFOD Partner Consultation Paper, see [www.cafod.org.uk](http://www.cafod.org.uk).

<sup>31</sup> For more information on the illegitimacy of the debt crisis and other debt cancellation analyses see [www.jubileesouth.net](http://www.jubileesouth.net).

A central concern about NEPAD's debt relief proposal is that the problem of debt is located within NEPAD's resource mobilisation initiative rather than identifying debt cancellation as a priority precondition for sustainable development. The problem relates to NEPAD identifying the conditions for sustainable development in Africa as the exclusive responsibility of Africans, without explicitly naming North-country responsibilities such as debt cancellation and the need to adjust the global economic system to be more just, transparent, democratic, and accountable.

**Trade:** NEPAD strongly advocates increased African access to European and North American markets through the removal of trade barriers in those regions and free-market determined prices for raw materials through the removal of state subsidies especially to agricultural production in those regions.

Rich countries subsidise their agricultural products to the tune of \$1 billion each day<sup>32</sup>, leading to massive over-production of agricultural products that are dumped on African economies. This drives down prices for agricultural products so that African countries get far less for their products than their actual worth. In addition, when Africans export products to rich countries they face high trade tariffs designed to protect rich country industries. In a classic example of double standards, this causes poor countries to lose more than \$100 billion a year – double what they get in development aid from rich countries, while at the same time Africa is under strong pressure from rich countries in the WTO to rapidly remove trade barriers that protect its vulnerable industries. The opening up of Africa's markets is supported by NEPAD in the framework of increased regionalisation and participation in the global economy.

Given strong European resistance to opening their markets to easy foreign agricultural trade as evidenced in trade negotiations between the European Union and South Africa, as well as the recent introduction of heavy tariffs on the export of European steel to the United States of America, it is very doubtful that the world's richest countries will treat politically weak African countries favourably by giving in to fair terms of trade.<sup>33</sup>

In any event, only those African countries with a strong export capacity will possibly benefit from fairer terms of trade. Even then, large monopoly agribusiness interests will be the winners rather than small-scale farmers who produce primarily for local markets and thus provide food security in underdeveloped countries.

Even though market access for African products is a big problem for exporting African countries, the focus on market access is an inaccurate identification of the central problem for Africa in the global trading system. The real problem is the indiscriminate removal of protections on trade in industry, services, agriculture and agro-genetic resources enforced upon Africa in the WTO, leading to increased food and economic insecurity.

NEPAD's market access focus promotes export-oriented growth. This strategy ignores the need to reorient production from export agriculture led by big corporate interests to small-farm based production primarily for the local market and protected by tariffs and quotas from unfair competition by subsidized products dumped by the Northern countries.<sup>34</sup> NEPAD should protect the rights of small-scale African farmers to access, save, use, exchange, sell and breed their seeds, plants, food crops and other agro-genetic resources as envisioned in the Organisation of African Unity (OAU) Model Legislation.<sup>35</sup>

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<sup>32</sup> Rigged Rules and Double Standards in International Trade, Oxfam International, May 2002, see [www.oxfam.org.uk](http://www.oxfam.org.uk).

<sup>33</sup> Africa exports nearly 30% more today than it did in 1980 but the prices it receives for these exports have fallen by 40% over the same period. Africa therefore produces more for external markets but receives less income for it. The ratio of export prices to import prices for manufactured products is called the 'terms of trade'. Kairos Canada reports that between 1971 and 1999, Africa's terms of trade suffered a massive decline of about 6% a year.

<sup>34</sup> Based on unpublished comments by Walden Bello, Executive Director, Focus on the Global South.

<sup>35</sup> The current version of NEPAD removed a previous commitment to give legal expression to protect the rights of local communities, farmers and breeders, and for the regulation of access to biological resources as envisioned in the OAU Model Legislation (AML). 15 Francophone countries in West Africa effectively broke from the AML when they signed the Bangui Agreement, which came into force in February 2002. South Africa and Kenya had already signed a similar agreement called UPOV, an international standard that supports monopoly agribusiness interests above smallholder farmers. For more information on the AML see the site of the Washington-based Africa Faith & Justice Network, <http://afjn.cua.edu>.

## **5.6. Democratic Participation?**

NEPAD completely failed to meaningfully engage with communities and civil society organisations concerning its process and content. This highlights the problematic trend in the “globalised” world for major national and international priorities to be determined outside of democratic processes in un-transparent, unaccountable processes in the international sphere. While NEPAD, by design, did not include space for civil society input into its initial development, it did, by design, include high-level consultation with the IMF/World Bank and leaders of industrialised countries and the private business leaders.

However, an assessment of public participation in the NEPAD process does not hinge on whether this or that particular group was consulted. It is more about the strategic orientation and content of NEPAD. The point is that NEPAD, in its current form, is not informed by the lived experience, the needs and knowledge of the communities it is meant to represent in a new vision for Africa’s development. There can be no sustainable development without the participation of the communities affected.

## **5.7. Changing Perceptions of Africa**

NEPAD is in many respects a marketing strategy for Africa that attempts to overcome the negative image and sentiment that Africa generates in the consciousness of many political, business, and civil society circles outside the continent. It has, for whatever reasons, received much acclaim and has won international political respectability that could be harnessed for the benefit of the continent.

## **5.8. Africa on the Global Agenda**

NEPAD has succeeded to engage the global political and economic powers in a direct dialogue on the course of Africa’s development so that the upcoming G7 Kananaskis summit has Africa and NEPAD as a major theme. The political will that has been generated through the NEPAD process as a result of energetic work by Africa’s leaders, represents a major achievement for NEPAD that must be applauded. However, the direction in which that political will has been mustered is ambiguous at best. It remains to be seen whether the political will can be sustained if democratic processes alter the direction of NEPAD’s primary focus.

## **5.9. Poverty is a Secondary Focus**

The strategies adopted by NEPAD are intended to deliver long-term and indirect poverty alleviation through mechanisms that have not yet delivered real benefits to the poor in African countries that have tried them. NEPAD has no clear plan to address the current crisis of impoverishment that is rampant across Africa, including the joblessness crisis. In its current form, it is therefore not a plan that can be relied on to deliver immediate benefits to the growing numbers of impoverished people in Africa. This is a major problem that cannot be avoided in a development plan for Africa such as NEPAD.

## **5.10. Redistributing Power?**

The current international power relations constrain the boundaries of possibility for developing an effective development plan for Africa. NEPAD does not make clear proposals to change the current power relations that are the single biggest obstacle to Africa’s development. It in fact proposes greater participation in the current international political and economic governance structures and processes as they are now, in the framework of ‘a new partnership’. However, ‘partnership’ in a context of seriously disproportionate power relations, amounts to little more than domination.

## **5.11. The Lure of Privatisation**

NEPAD adopts rapid and extensive privatisation in various forms as a key strategy to offer investment opportunities, attract foreign investment, and develop infrastructure across the continent. It does this in a way that pretends to be unaware of the severe social consequences of such measures, especially in a context of widespread poverty and inequality.

## 5.12. What About Reparations?

Only passing mention is given by NEPAD to Africa's history of slavery and colonialism with no mention of the need for reparations. This represents a political decision by NEPAD's engineers to avoid the politically charged language of historical justice and reparations. However, NEPAD presents itself in many ways as a post-colonial Marshall Plan for Africa's recovery. Nonetheless, reparations remain a major concern not only amongst the Southern African victims of severe human rights violations under apartheid, but among a wide variety of civil society groups across the continent.

Ensuring social, environmental, and individual reparation of damage relates not only to Africa's distant past but also to the negative environmental, health, and human rights impact that trans-national corporations continue to have in many parts of Africa. NEPAD does not provide a decisive mechanism to resolve these concerns. Nor does it provide an ethical basis for engaging with business leaders to contribute to Africa's reconstruction or protective guarantees that the rights of Africa's people and environment will be defended under NEPAD.

## 6. That We May Have Life<sup>36</sup>

The church has a duty to engage with Africa's legitimate political leaders in the interests of the common good of Africa and the world. We do this in a way that respects our unique areas of competence, with a fundamental commitment to raising the legitimate hopes and aspirations of those who are excluded. Accordingly, the church engages with NEPAD as a flawed and inadequate but welcome initiative for Africa's inclusion as part of the global human community.

### 6.1. Mustard Seeds<sup>37</sup>

NEPAD contains several important elements that could be further developed into effective mechanisms for Africa's reconstruction and development. These signs of hope present us with unique possibilities for growth if they are affirmed and nurtured:

6.1.1. NEPAD could remove the unilateral imposition of conditionalities by donors if it is a process that is determined by African leaders through participatory democratic processes at the national level.

6.1.2. NEPAD can provide an authentic African development model to respond to widespread poverty if it is informed by the real needs of impoverished communities.

6.1.3. NEPAD provides a real possibility to develop more effective collaboration and accountability between African governments in the interests of Africa, especially in multilateral forums, if it is an inclusive process across Africa.

6.1.4. NEPAD generates focused and widespread political will to end the wars that continue to plague Africa.

6.1.5. NEPAD can be an effective mechanism to transform the global perception that Africa is a lost continent.

6.1.6. NEPAD can be an effective mechanism to engage industrialised countries in an honest, transparent, and ongoing discourse about Africa in the context of globalisation, so as to transform incorrect assumptions about the benefits of the globalisation enterprise.

6.1.7. NEPAD can provide an alternative model for debt cancellation that goes beyond the current impasse.

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<sup>36</sup> John 10:10

<sup>37</sup> cf Matthew 13:31f

## 6.2. Building on Unstable Ground<sup>38</sup>

Some crucial aspects of NEPAD are very disturbing. Despite widespread public discontent, NEPAD makes proposals that have not proven to be effective to build stable, just, and caring societies in Africa:

6.2.1. NEPAD articulates the serious negative impact on Africa of “globalisation’s” market fundamentalist development model but then goes on to adopt and promote more of the same model as the solution to Africa’s economic problems. NEPAD’s macro-economic framework must be seriously questioned on the basis of the current experience of the poor in African countries that have already adopted these policies.

6.2.2. NEPAD pretends to be unaware of the severe negative impact that rapid privatisation of social and basic services has on impoverished and highly indebted communities.

6.2.2. The process that gave rise to NEPAD glaringly neglected popular participation in any meaningful form. There can be no real development without the participation of Africa’s people at all stages of the process.

6.2.3. NEPAD fails to address the underlying international and national power relations, structures, and processes that will ultimately determine the success or failure of the process.

6.2.4. NEPAD does not offer clear prospects to resolve the call for reparations that are due to Africa’s people.

## 6.3. Restoring our Vision<sup>39</sup>

Africa’s reconstruction and development is our collective responsibility. The church must participate with energy and commitment in this task. Accordingly, the following proposals are made to correct the failures of the NEPAD process and to improve its content and focus:

6.3.1. NEPAD must recognise that Africa requires a fresh start. Africa cannot begin to develop unless the massive current social backlog is directly addressed as a first step. NEPAD should therefore include, as a priority, an additional programme to deliver immediate and direct anti-poverty interventions that will lift the poor out of their current suffering. NEPAD, in its current form, is a long-term strategy that hopes to deliver indirect benefits to the poor. An additional new anti-poverty programme should include short-term job-creating infrastructure development programmes, development grants to individuals such as South Africa’s proposed Basic Income Grant, subsidies for the provision of basic services such as water and electricity, comprehensive programmes for HIV/AIDS treatment and prevention, greater protection for small industries that are particularly vulnerable to the forces of globalisation, and land transfers to households.

6.3.2. Meaningful debt cancellation must be prioritised as a precondition for the success of any other medium or long-term strategy for social and economic recovery.

6.3.3. NEPAD must give higher priority to rapidly increased investment in social services such as health care and education, rather than the low priority that social services are currently given in NEPAD’s plans.

6.3.4. NEPAD must support proposals for corrective changes to the international financial system such as the proposed international currency transaction tax that could be implemented at national level<sup>40</sup>, and that a set proportion of the revenues raised in rich countries should be directed to Africa’s reconstruction and development.<sup>41</sup>

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<sup>38</sup> Luke 6:46f

<sup>39</sup> Luke 6:39f, 8:16f, 11:33f; Matthew 6:22f

<sup>40</sup> For a comprehensive treatment of current proposals for an International Currency Transaction Tax see the CIDSE Financing for Development position paper “Financing Development through Redistribution” at [www.cidse.org](http://www.cidse.org).

<sup>41</sup> A currency transaction tax would have individual countries collect a minimal tax of between 0.1 and 0.5 per cent on all foreign exchange transactions in their national currencies anywhere in the world. With the total value of such transactions currently put at \$1,600 billion a day, up to \$400 billion yearly would be raised at a minimum tax rate of 0.1 per cent. Each

6.3.5. NEPAD must address the call for corrective action to repair the damage caused to individuals and communities as a result of Africa's history of slavery, colonialism, and apartheid.

6.3.6. Broad-based national popular consultation processes must be initiated across Africa to review the NEPAD programme. To this end, a civil society liaison unit should be established within the NEPAD secretariat and national civil society representatives should be elected to participate in official NEPAD discussions.

#### **6.4. Dealers in the Temple<sup>42</sup>**

Faithful to continuing the mission of Christ, the church must continue to raise the collective public conscience about how current global financial, trade, and political systems hurt the poor throughout the world, in the same way that Jesus "upset the tables of the money changers and the seats of the dove sellers"<sup>43</sup> in the temple. The Earth is the household of God and humanity is God's temple today, so that the global human community is called to live in dignity and solidarity. The skewed power relations between rich and poor that limit the possibility of transforming global structures into just and caring systems remains the biggest challenge to Africa's reconstruction and development. The church proclaims the good news that a better life is possible for Africa's people.

### **7. Diversion & Selectivity<sup>44</sup>: The G7 Response to NEPAD**

An assessment of NEPAD would be incomplete without an assessment of how the G7 will respond to it. NEPAD has been given centre-stage during the 2002 G7 summit in Kananaskis, Canada. In response to NEPAD, the G7 have emphasised that Africa should not expect too much too soon, especially not a general commitment to mobilise the \$64 billion that would be required to ensure NEPAD's success. Their Africa Plan to be announced in June 2002 is expected to contain three components:

- A "paradigm shift" in development thinking on Africa.
- Five action areas based on the Millennium Development Goals, especially to halve world poverty by the year 2015, and chosen in partnership with African governments:
  - Peace & Security
  - Governance
  - Knowledge (more than education) and Health
  - Trade & Investment
  - Water.
- An "enhanced partnership" with those countries that have already demonstrated to their African peers that they are living up to their NEPAD commitments.<sup>45</sup>

Concern must be raised about exactly what the nature of the G7's paradigm shift on Africa will be. It is evident that there will be two elements to it:

- Certain African countries that fully adopt the NEPAD model will be selectively favoured by the G7 above other problem countries that do not toe the line. NEPAD's proposed peer review mechanism, including a code of conduct for African leaders, will be used as the primary mechanism for determining NEPAD's winners and losers in Africa. While NEPAD presents itself as a framework for more effective African solidarity and collaboration, this is a recipe for increased competition and division in Africa.
- NEPAD sees private capital investment as the missing link for Africa's development. It is effectively a model to attract foreign direct investment as the primary strategy to promote

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country would keep part of the revenue collected and release the remainder to international agencies funding poverty eradication.

<sup>42</sup> Mark 11:15f

<sup>43</sup> Mark 11:15

<sup>44</sup> These two concepts were developed in discussions with Henry Northover, Policy Analyst, CAFOD, [www.cafod.org.uk](http://www.cafod.org.uk).

<sup>45</sup> Based on unpublished comments by Ambassador Robert Fowler during the CIDA Canada-Africa civil society consultation on NEPAD held in Montreal, May 4 – 5 2002; see [www.acdi-cida.gc.ca](http://www.acdi-cida.gc.ca).

rapid economic growth. The G7 will happily support this model of development above increased ODA, debt cancellation, and direct poverty eradication programmes.

The G7 are, in effect, supporting the cost-free aspects of NEPAD while avoiding a renewed commitment to provide additional resources for Africa's development. The result will be the diversion of ODA and other financing sources to indirect support such as policy advice and to private sector development rather than direct budget support to poor countries according to their nationally determined poverty reduction priorities.

A recently leaked European Union Commission (EC) document sent to African and other developing countries demanding immediate privatisation of key service sectors including water, gives an indication of the kind of development the G7 will promote in their "action areas" under NEPAD. The EC has demanded further trade liberalisation in the provision of basic services to communities across the continent. Essentially the request made by the EC is a demand to fast-track privatisation even if it undermines national sovereignty.

European companies who are keen to extend their economic interests in water privatisation, for example, around the world will be the primary beneficiaries. But the privatisation of water has a terrible track record. For many people in South Africa, for example, particularly minimum-waged or unemployed women, water bills have suddenly accounted for close to half their monthly income.<sup>46</sup>

A G7 over-emphasis on peace-building and governance issues in Africa without a corresponding commitment to support Africa's reconstruction and development in material budget-support terms does not inspire confidence in NEPAD. This wait-and-see attitude reinforces the distrust that makes many believe that African development based on the hope of a new partnership with rich countries is not viable.

### **7.1. Corruption as an Obstacle to Africa's Development**

G7 Representatives routinely argue that the single biggest deterrent to supporting Africa's development is endemic corruption on the continent.<sup>47</sup> Corruption is indeed a major problem in many African societies. As Africans we must be determined to do everything possible to identify, name, and root out the scourge of corruption in the public and private spheres. Above all, we must remove the profitability of corruption by ensuring that there are mechanisms in place to catch and prosecute those who are guilty of corruption and by refusing to collaborate in the sale of stolen, counterfeit, or other illegal goods.

Corruption is an abuse of public power for personal or sectarian gain. It is a global problem that goes beyond the realm of the inter-personal. Transparency International's 2002 Bribe Payers' Index (BPI), for example, highlights the lack of knowledge amongst business leaders in industrialised countries about the Organisation for Economic Cooperation and Development (OECD) convention against bribery.<sup>48</sup> 32% of business executives in the richest countries have only heard about the OECD convention against the bribery of foreign public officials as agreed to by their governments and 42% have never heard of it.<sup>49</sup>

The BPI explains that both the supply (developed country) and demand (underdeveloped country) sides of corruption must be addressed forthrightly. Bribes originate from strong exporting countries.

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<sup>46</sup> Source: Press Release, Gender & Trade Network in Africa, 18 April 2002

<sup>47</sup> Canadian Ambassador Robert Fowler, chief organiser of the G8 Kananaskis summit, explained at the Canada-Africa civil society NEPAD consultation in Montreal on 5 May 2002, that NEPAD should be understood in the following way: If the CEO of a major company proposed to invest in Africa, the board of directors of the company would not agree unless they could be convinced that contractual agreements will be respected even if the government changed, that the government would not take bribes, and that investments and profits will be protected.

<sup>48</sup> The Bribe Payers Index provides insight in perceptions about and experience of the 'supply side' of bribery. In this case it applies to bribery in 15 emerging markets namely: Argentina, Brazil, Colombia, Hungary, India, Indonesia, Mexico, Morocco, Nigeria, the Philippines, Poland, Russia, South Africa, South Korea and Thailand. According to the index these countries are among the very largest of such countries involved in trade and investment with multinational firms. The Corruption Perception Index does the same for the 'demand side', especially concerning public officials (politicians and civil servants) who receive bribes and are mainly in the South. See [www.transparency.org](http://www.transparency.org).

<sup>49</sup> Stiaan van der Merwe, Business Report, 22 May 2002.

Even still, corruption is more than bribery. The BPI ranks countries that use corrupt means other than bribery<sup>50</sup> to gain unfair advantages for business in their countries as follows:

- USA 58%
- France 26%
- United Kingdom 19%
- Japan 18%
- China 16%
- Russia 13%
- Germany 11%

Corruption must be viewed in its totality and must be rooted out throughout the world, both in its inter-personal and structural forms. The G7 and other industrialised countries have as much a role to play in this regard as do African countries. This is especially the case given that increased “opportunities” for foreign trade and investment in Africa, as proposed in the NEPAD framework, will mean rapidly increased opportunities for the growth of international corruption in all its forms.

In the same way that many African countries are willing to undertake a path of self-criticism and renewal, G7 leaders must make a firm commitment to support Africa according to the priorities and plans that are set through participatory and democratic processes in African countries.

## 8. Conclusion

NEPAD is an ambiguous plan. While its analysis of the problems that confront Africa is accurate and its end goal of an African continent free from war and poverty expresses the deep-felt hope of all Africans and people of good will, the economic path it chooses is bound to fail Africa’s hopes.

NEPAD proposes greater African incorporation into the current global economic system as the solution to Africa’s economic problems. This ignores the fact that part of the problem is that Africa is already more integrated into the global economy than any other continent, to the detriment of Africa. Africa is already too economically dependent on the rest of the world. Its trade with the rest of the world accounts for 45.6% of its total economic activity while the same ratio is only 13.2% for North America, 12.8% for Europe, 23.7% for Latin America, and 15.2% for Asia.<sup>51</sup>

The extent to which civil society structures in Africa are able to hold their governments to account through democratic processes will be the extent to which governments are accountable and transparent. A recovery plan for Africa should focus its vision in the first instance on direct and immediate measures to assist local communities to break out of the poverty trap. This can be an effective way to boost people-centred economic growth that builds social stability, human security, and prosperity in Africa.

However, not all Africa’s problems can find their solution in that way. Challenges to end regional wars and to support international efforts for conflict resolution in particular countries require an international focus that is entirely necessary.

NEPAD’s vision is blurred by setting its sights on the hope that greater global integration will save Africa. This arises from the absence of popular participation in determining its focus. Yet NEPAD’s vision can be restored if Africa’s leaders enter into a new partnership with their people. The vision of a new Africa dawning in the twenty-first century is too precious to be lost because we failed to see that Africa’s children, men, and women are its greatest treasure.

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<sup>50</sup> These include diplomatic or political pressure, financial pressure, tied foreign aid, threat of reduced foreign aid, tied arms deals, gifts to officials, and tied scholarships, education, or healthcare.

<sup>51</sup> Adapted from an unpublished paper by KAIROS Canada

## APPENDIX

### The Millennium Development Goals<sup>52</sup>

By 2015 all 189 United Nations Member States have pledged to:

1. ***Eradicate extreme poverty and hunger:***
  - Reduce by half the proportion of people living on less than a dollar a day.
  - Reduce by half the proportion of people who suffer from hunger.
2. ***Achieve universal primary education:***
  - Ensure that all boys and girls complete a full course of primary schooling.
3. ***Promote gender equality and empower women:***
  - Eliminate gender disparity in primary and secondary education preferably by 2005, and at all levels by 2015.
4. ***Reduce child mortality:***
  - Reduce by two-thirds the mortality rate of children under five.
5. ***Improve maternal health:***
  - Reduce by three quarters the maternal mortality ratio.
6. ***Combat HIV/AIDS, malaria and other diseases:***
  - Halt and begin to reverse the spread of HIV/AIDS.
  - Halt and begin to reverse the incidence of malaria and other major diseases.
7. ***Ensure environmental sustainability:***
  - Integrate the principles of sustainable development into country policies and programmes.
  - Reverse loss of environmental resources.
  - Reduce by half the proportion of people without sustainable access to safe drinking water.
  - Achieve significant improvement in lives of at least 100 million slum dwellers by 2020.
8. ***Develop a global partnership for development:***
  - Develop further an open trading and financial system that is rule-based, predictable and non-discriminatory. Includes a commitment to good governance, development and poverty reduction nationally and internationally.
  - Address the least developed countries special needs. This includes tariff and quota-free access for their exports, enhanced debt relief for heavily indebted poor countries, cancellation of official bilateral debt, and more generous official development assistance for countries committed to poverty reduction.
  - Address the special needs of landlocked and small-island developing states.
  - Deal comprehensively with developing countries' debt problems through national and international measures to make debt sustainable in the long term.
  - In cooperation with the developing countries, develop decent and productive work for youth.
  - In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries.
  - In cooperation with the private sector, make available the benefits of new technologies – especially information and communications technologies.

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<sup>52</sup> Source: United Nations (UN) Department of Public Information. All goals are measured against baseline year 1990. For more information on the Millennium Development Goals see [www.un.org/millenniumgoals](http://www.un.org/millenniumgoals).