

## **PLACE PEOPLE BEFORE PROFITS AND POWER, CIVIL SOCIETY TELLS MINISTERS**

Statement to the SADC-EU Ministerial Meeting, from the SADC-EU Civil Society Conference, 3-5 November 2002, Copenhagen, Denmark and the Civil Society meeting in Maputo 5-8 November:

We, members of Southern African and European civil society, have gathered in Copenhagen and Maputo in two interlinked civil society conferences on the eve of the SADC-EU Ministerial meeting in Maputo, Mozambique on 7-8 November 2002.

We share a common vision of an equitable society that cares for all its members, that strives continuously to enhance their socio-economic rights and political freedoms, and that places people not profit or power first. We also share a common vision of SADC-EU relations, in which the people and governments of the two regions meet in a partnership of equals, not shackled by exploitative relations.

We see development, a people-driven and a people-centered process, as the central objective of SADC-EU relations. We struggle for this development in the context of severe inequalities of economic and political power inherited from previous colonial relationships and the damage done to regional development and integration by apartheid. This adverse context also includes non-democratic governance, lack of media independence and limitations in the freedom of the civil society in some countries in the SADC region.

We believe that these unequal relations have been perpetuated by international institutions such as the IMF, World Bank and WTO and economic structures of dependency, including the debt trap and unfair trade relations that bind the SADC region to Europe. We believe that they are being abused to secure the unilateral imposition of trade liberalisation, privatisation and maximum repayment of debts. These processes undermine regional efforts to define alternative development frameworks, to pursue regional integration and to address structural problems of production and sustained resource management.

We note with concern, since our last meeting in Gaborone in November 2000, the emergence of a number of developments in SADC-EU relations which impede the achievement of an equal partnership. The current famine in Southern Africa demands an urgent response from European governments. Assistance must be provided with due sensitivity to the danger of reinforcing policy pressures and dependence. In the longer term, lessons must be learned about the local and international policy failures, which have contributed to the famine.

The right of developing countries to pursue policies aimed at securing food security must be defended against inappropriate international policy advice.

Our vision is for African unity and equitable regional integration. We fully support regional initiatives to end African civil wars. We believe that a public peer review mechanism for African leaders should be compulsory and not voluntary, and that this should include all aspects of governance.

The dominance of the economic aspects of NEPAD, particularly in engagements with Northern institutions, causes us to issue a warning: internationally supervised adjustment has failed to promote African development. This has been exacerbated by mismanagement of official development assistance by SADC governments, poor domestic governance of assets and the corrupt practices of public and private officials associated with development projects.

Any African recovery plan must clearly identify the failures of past conditions attached to aid, loans and investment and adopt African proposals for people-centered development. However, NEPAD replicates these failed frameworks and risks crowding out the rich tradition of Africa's own alternative thinking on development. NEPAD is mainly concerned with raising external resources, appealing to and relying on external governments and institutions. In addition, it is a top-down programme driven by African elites and drawn up by the corporate forces and institutional instruments of globalisation, rather than being based on African peoples experiences, knowledge and demands. A legitimate African programme has to start from the people and be owned by the people. We note particularly past plans such as the 1980 Lagos Plan of Action, the 1989 African Alternative Framework to Structural Adjustment Programmes, the 1991 Arusha Declaration on Popular Participation and Democracy and the 1994 Kampala Declaration on Security and Peace.

### **The HIV-AIDS pandemic.**

Of all the people living with HIV/AIDS in the world, just under half live in Southern Africa. The 1990s saw massive strides forward in access to effective treatments in Europe but millions continue to die in Africa due to the lack of affordable access to treatment. Because HIV/AIDS affects women with household responsibilities and the young and economically active sections of the population, the epidemic has devastating implications on production and economic growth. It is already putting an unbearable burden on social services and reversing hard-won development gains. The HIV/AIDS pandemic represents an immense obstacle to reaching the national poverty reduction targets and development goals agreed upon at the United Nations Millenium Summit.

We call on EU Governments to:

- provide increased bilateral and multilateral funding, in particular for the Global Fund. They should make a contribution proportional to their share of global GDP, aimed at meeting the target of 10 billion dollars per annum;
- support calls for the resources of the Fund to be allocated proportionately to countries according to their domestic resources) which carry the heaviest disease burden
- ensure that the implementation of the Doha Declaration on TRIPS and Public Health improves access to affordable, high-quality medicines in SADC;
- support Africa Group proposals for an interpretation of Article 30 of the TRIPS Agreement which would enable other countries to export medicines and other inventions to meet the health needs of Africa;
- significantly increase their public investment in research into the development of AIDS vaccines and ensure equal and affordable access.

We call on the SADC Governments to:

- publicly acknowledge and address, at the Head of State level, the existence of the HIV/AIDS pandemic, and that its rapid spread is fuelled by gender inequality and sexual violence;
- develop and implement comprehensive, gender-sensitive national HIV/AIDS plans with legally binding policies on prevention, treatment and care;

- develop and implement a regional plan to address the pandemic;
- ensure that national and regional plans include strategies aimed at the full attainment of the Millennium Development Goals and at mitigating the development impact of the pandemic on households;
- meet their Abuja Commitments to allocate 15% of their national budgets on health care;
- build unified positions towards the WTO and the Global Fund.

### **Debt and reparations**

Southern African debt repayments are having a crippling effect on the ability of Governments of the region to implement development programmes, invest in health and education and cope with the devastating impact of the HIV/AIDS crisis. In addition current international policies, supported by the EU, such as the HIPC initiative and Poverty Reduction Strategies, are woefully inadequate and continue the failed policies of the structural adjustment programmes. They also do not provide a framework to tackle the special nature of Southern Africa's debt.

### **Apartheid-caused debt**

The apartheid regime not only oppressed its own people - it waged a full-scale war against neighboring states. Faced with a sudden loss of income and the need to protect their people, the governments of the region borrowed heavily from international financial institutions, like the IMF and the World Bank. Despite the United Nations declaring apartheid a crime against humanity, private European banks continued to bankroll the apartheid regime, keeping apartheid alive longer than it would otherwise have survived. Apartheid as a system has to be understood as being both political and structural in nature.

Given that these apartheid caused debts served a criminal system we call on the EU Governments to:

- Accept that all apartheid caused debt is illegitimate and illegal;
- Recognise that their corporations and banks have aided and abetted apartheid and have reaped profits from it;
- Recognise that the peoples of Southern Africa therefore are entitled to full cancellation and reparation for apartheid-caused debt.

### **Structural adjustment caused debt**

We call upon the EU to recognize that dependency by SADC countries on international financial institutions is caused by falling commodity prices of African exports, lack of access to markets in the EU and the USA because of protectionism and agricultural subsidies, and reductions in official development aid.

### **Reparations**

Based on the premise that the apartheid-caused debt is illegal, then profits taken and received are also illegal. The profits are as odious as the debt itself. We call on the EU Governments to:

- Recognize that debts incurred by Southern African countries, supporting the legitimate struggle against apartheid, should be written off by the international public and private creditors. This act should be seen as the first step in addressing the social damages resulting from the regional destabilisation effected by apartheid. It is a pre-condition for starting a programme of regional reconstruction and development.

## **Management of debt**

We call on SADC Governments to acknowledge and recognize that part of the unmanageable debt crisis is directly attributed to a complete lack of transparency and accountability in procurement, disbursement and management of loans by SADC governments. We call on each SADC government to implement transparent, accountable and public participatory processes as part of the procurement, disbursement and management of loans taken out on behalf of its citizens.

## **Privatisation**

We believe that access to essential services, such as health, energy and water, are basic human rights and should not be subject to privatisation and profit, thus falling outside public control. The privatisation of such services and needs only serves to widen the gap between the rich and the poor, to increase the gender gap and to impact unfairly on women and girls who are the first to lose education and health services when user fees are introduced. Privatisation ignores the question of people's ownership and control of African resources, while benefiting European capital.

We call on the EU and SADC Governments to:

- recognise that access to health, energy and water are basic human rights and that it is undermining democracy if they are not under public control;
- stop using privatisation as a pre-requisite for granting development assistance and access to trade, especially as applied to the conditionalities imposed through the activities of the IFT's and the WTO;
- do away with the in-built modalities of privatisation, such as outsourcing, divestiture and management contracts, that are presently an integral part of NEPAD;
- ensure that any implementation of Public-Private Partnerships (PPPs) remains under public control and ownership, and ensures access to affordable services by the people;
- stop using development funds to promote private sector delivery of services;
- commit to pursuing, with the full involvement of civil society, comprehensive economic and social impact assessments prior to the implementation of any privatisation initiative;
- explore alternative strategies to upgrade public services, including gender budgeting, while keeping them under public control that is accountable and transparent;
- examine the hidden costs of privatisation in gendered impact assessment studies; these include higher user fees, loss of quality jobs and loss of public income;
- scrap failed cost-recovery policies on basic services and implement cross-subsidisation and budget subsidies;
- recognise that privileged elites, companies and countries are driving and benefiting from privatisation.

\* For further statements on trade and agriculture, democracy and human rights, and workers rights and the labour market, please click on the "Further Details" link provided below.

Further details: <http://www.pambazuka.org/newsletter.php?id=11585>