

Our Common Interest: Report of the Commission for Africa
The UK Commission for Africa Report: Prospects and Implications

Remarks of
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First, thank you to Richard Joseph, his colleagues and partners for organizing this conference for a timely re-appraisal of “Aid, Governance and Development in Africa.” It is appropriate that we begin with the Blair Commission Report because it is ambitious and throws down a gauntlet for both Africa and the developed world.

I applaud the report for its comprehensiveness, clear language and willingness to assign responsibility for successes and failures. I also commend the Report for its optimism, integrated, multi-sectoral approach, and its major effort to build upon African priorities; the Commission Report complements the goals and philosophy of the African Union and the New Partnership for African Development (NEPAD). The Commission quite clearly views its recommendations and the proposed “Big Push”--a sharp increase in official development assistance (ODA)--as a new compact between the industrialized West and Africa.

I also applaud British Prime Minister Tony Blair’s leadership on Africa. At the beginning of his second term, Prime Minister Blair committed to two priorities, Africa and the environment, lamenting that he had not pursued those priorities in his first term. It is testament to his commitment that with competing priorities, most notably the war in Iraq, the Prime Minister followed through--personally leading the effort, ensuring that Africans comprised the majority of the Commission, and chairing all of the Commission’s meetings.

I will discuss the Report’s priorities, suggesting that they be re-ordered in any program implementation of the Report’s recommendations, and that two areas discussed in the Report need to be highlighted. I will conclude by discussing four questions that the Report raises for me.

Ambassador Miles Wickstead and Sir Nicholas Stern, senior professional staff to the Commission, have both stated three priorities for the Report: good governance; peace and security; and trade.

*Remarks are personal views of Ms Derryck and do not represent an official position of AED.

Peace and Security. I would change the ranking order, putting peace and security first. The continent has more conflicts than any other region, with at least four hot wars currently being waged. Africa must get its conflicts under control so that the continent offers a stable environment for achieving the Commission's two goals of building capacity and accountability. The Report also calls for nurturing democratic institutions and developing strong economies. An Africa at peace is necessary to change the image of the continent, to demonstrate commitment to respecting human rights and democratic principles, and to attract the foreign direct investment (FDI) needed for growth.

An agenda prioritizing peace and security will require close coordination with the Peace and Security Council of the AU. Such partnership will also concretely reinforce the spirit of African leadership that the Report espouses as critical to long-term growth and development. On a related note, I was pleased that the Commission supports a UN Peacebuilding Commission. (I have long advocated that the Trusteeship Council be restructured into a Peacebuilding Council with a mandate to focus on long-term post-conflict reconstruction and rehabilitation.) At least eight countries are in post-conflict situations and will demand special attention from the Commission and relevant UN bodies.

I would also expand the security priority to include food security. African countries still have not resolved the nexus of environmental degradation, population and food security. More than 186 million Africans currently suffer from undernourishment and malnutrition. Food security is a first priority for a healthy population--with a lower disease burden and healthier work force. A Cameroonian proverb notes, "Le ventre affame n'a pas d'oreilles." The hungry stomach has no ears.

Good Governance. The second priority--the report's first--is good governance. The report calls for building competencies so that Africans can build and manage a capable state. The acid test of this portion of the initiative is the donors' relationship to the African Peer Review Mechanism (APRM). The fact that 23 African nations have already signed on to be reviewed is an indication of their commitment to the mechanism. However, there may be a potential problem if donors maintain that the APRM cannot be truly legitimized until the AU addresses the Zimbabwe issue and the blatant lapses in democratic governance currently evident in that country.

I also applaud the anti-corruption focus and concrete programs proposed for good governance; however, I am not at all sure that either the indigenous private sector or multi-nationals will embrace these anti-corruption programs.

Trade. The third major priority highlighted in presentations on the Report is trade. The Report calls for African nations to reduce intra-African barriers, but despite COMESA, PTA and ECOWAS, reducing internal barriers doesn't seem to be a priority for most African countries at present.

Of course, as an American, I would hope that more nations can take advantage of the African Growth and Opportunity Act (AGOA). This US initiative grants greater access to US markets for the 36 eligible sub-Saharan African countries, allowing more than 6,500 products to enter the US free of tariffs. With the emphasis on textiles until this year, most of the potential advantages of AGOA have not been fully explored.

There are two other impediments to quick gains in trade. First, in Africa the overwhelming bulk of trade is in extractive industries, so African states are vulnerable to commodity price fluctuations. The second impediment is Western disinclination to change the trade status quo. Western nations are ambivalent on trade. On the one hand, some countries, including the US, are providing training to strengthen African trade negotiation capacities for the Doha Round. On the other hand, there seems to be little commitment to reduce or eliminate farm subsidies in Europe or to modify dramatically the EU's common agricultural policy. Here in the US, the sugar and cotton lobbies are so strong that there is virtually no chance of removing subsidies in the near term.

Two issues to be further highlighted. It may be a matter of nuance, but I would like to see **education highlighted** not only in the context of building national capacity, but as an essential building block for any nation's long-term sustainable development. Education is the most effective way to fight poverty and build a citizenry's ability to hold the state accountable. Education is not only essential for building the capable state, but also to expand intellectual capital. I strongly support the Report's emphasis on science and technology. IT can be a potent learning tool from basic education through universities, and it provides one of the fastest way to integrate African universities into ongoing global intellectual debates.

I would also like to see a **stronger emphasis on women** and their critical role in creating and implementing virtually any sustainable development initiative. **Women's** integration accelerates development. Countries that do not invest in women have higher rates of poverty, weaker governance and are generally less stable. Women are important to build both capacity and accountability, the bedrock goals of the report.

Nobel Laureate Wangari Matthai is currently visiting Washington, D.C. Two days ago she noted that that when she asked rural women what their priorities are they listed:

- Energy--especially wood for charcoal;
- Water--they estimate that they spend two or more hours a day getting potable water;
- Food--they worry about inadequate daily nutritional intake of their children;
- Income--they embrace micro-finance and other strategies for raising rural incomes.

All four of the women's priorities are mentioned in the Report, but the challenge is how these practical, ground-truth priorities can be incorporated in implementation. One way would be to model the AU which will have yearly reports by heads of state on individual states' progress in achieving gender parity.

Now to my questions.

1. Absorptive capacity. Can Africa absorb an ultimate aid increase of \$50 billion per annum? Maybe. The Report rightly says that ratcheting up assistance will take efforts by both donors and recipient countries. Echoing that observation, Nicholas van de Walle in “Overcoming Stagnation in Aid Dependent Countries,” has advocated restructuring foreign assistance. He calls for performance-based aid, local involvement rather than government led interventions, and targeted conditionalities. Those changes would require that donors and countries work collaboratively to improve institutional capacity.

To absorb large increases effectively, we must deal squarely with lack of donor coordination. We all remember the famous case of more than 70 different reports required for one project in Tanzania. Donors need to make it possible for local aid workers to do their work rather than attend to various donor demands.

A prior need is to build accountable budget and management systems in the recipient countries. That process will likely take two to three years, as the US has found in several countries. But the systems are the key to accountable, transparent processes for project monitoring and evaluation. Accountable, transparent budgets are also essential for a skeptical public. As a taxpayer, I want to know that safeguards are in place for transparency in grants and loans.

The real urgency in absorptive capacity is increasing assistance to combat HIV/AIDS. At least 28.5 million Africans are infected with the virus. We should scale up to and strengthen existing systems to deal with the pandemic as the Report recommends. HIV/AIDS projects could absorb the level of resources that the Report requests.

2. The private sector. With the current acknowledgement that the private sector holds a key to long term sustainable development success, the question becomes, “Can the private sector be enlisted to participate fully in the ambitious program that the Commission is proposing?” Given the Report’s rightful emphasis on infrastructure, private companies must be full partners. But successful infrastructure development often will require new procurement systems, with transparency and safeguards against corruption. The challenge is to incentivize the private sector to fully buy into the new initiative. Emphasis on the private sector will also provide new opportunities to grow public-private partnerships, enabling the private sector and civil society to have a closer relationship..

3. A constituency for the long-term. Can a constituency be built to support the initiative? Without a constituency, the initiative is not sustainable in the long-term. The Commission knows this and is to be commended for the brilliant stroke of sending a British foreign service officer to Washington to publicize the report and reach out to US civil society.

The initiative needs a constituency to pressure the EU and US on the Doha round, especially regarding agricultural subsidies; a constituency to explain the importance of

debt relief to poverty alleviation and make the connection to long-term growth; a constituency for peace and security to advocate for much more robust action in Darfur.

To develop these constituencies, the Commission must reach beyond donors and speak directly to civil societies in both the developed countries and in Africa. An untapped resource is the Diaspora which has resources and influence worldwide.

4. Sustainability. The last question is one of sustainability, always a key concern. The Commission proposes an increase of foreign assistance of \$25 billion by 2010 and, if properly absorbed, a further doubling to \$50 billion by 2015. I worry about “compassion fatigue.” For how many years could higher amounts be sustained? Will western publics support such expenditures and maintain the goal of .7 percent of GDP contribution to ODA with aging populations and minimal growth in their own GDPs?

Another sustainability concern is the fact that Russia will become the chair of the G-8 next year. In Africa, Russia is not keenly focused on the Commission priorities of capacity and accountability. Its oil and diamond dealings are questionable and there are no efforts to build African capacity in trade matters. Without the moral authority and resource commitment of the G-8, the initiative could lose momentum. One assumes that high level discussions are being held about sustaining G-8 interest beyond this year.

In conclusion, I am bullish on the Commission report and Africa’s future. That said, I would re-order the priorities, broaden the emphasis on education, highlight women in every implementation initiative, mount an all-out effort to build a long-term constituency that incorporates the Diaspora, women, the private sector and civil society in the donor countries and throughout the continent.

Above all, I am grateful to Prime Minister Blair and the Commission for refocusing attention on Africa.

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