FACING UP TO REALITY? NEPAD AND THE CHALLENGE OF GLOBALISATION.

by

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Abbreviations and Acronyms

APRM African Peer Review Mechanism.

APSC African Peace and Security Council.

AU African Union.

COMESA Common Market for Eastern and Southern Africa.

DAC Development Assistance Committee.

DRC Democratic Republic of Congo.

ECOWAS Economic Community of West Africa.

EU European Union.

FDI Foreign Direct Investment.

GATT General Agreement on Tariffs and Trade.

GDP Gross Domestic Product.
GNP Gross National Product.

IGOs International Governmental Organisations.

IMF International Monetary Fund.

MAP Millennium Africa Recovery Plan.

MNCs Multinational Corporations.

NEPAD New Partnership For Africa's Development.

NGOs Non-Governmental Organisations.
ODA Overseas Development Assistant.

OECD Organisation for Economic Co-operation and Development.

PAP Pan African Parliament.

SADC Southern African Development Community.

SAPs Structural Adjustment Programmes.

UAM Union of Arab Maghreb.

UN United Nations.

USA United States of America.

USAID United States Agency for International Development.

USSR Union of Socialists Soviet Republics.

WTO World Trade Organisation.

WW II World War II.

Chapter 1

INTRODUCTION. CONCEPTUALISING THE TOPIC

1. General Orientation

The New Partnership for Africa's Development (NEPAD) must be seen, at least in part, as a new vision for the rebirth and revival of Africa after decades of political decay and economic deterioration since independence from colonial rule. The vision for an African Renaissance dates back many centuries. In the 20th century Pan-Africanists such as W.E.B Du Bois (1909) Soul of black folks Nomandi Azikiwe's Renascent Africa, Cheikh Anta Diop in the 1950s, and Nkrumah's Africa must unite (1963) to name a few, greatly contributed to the desire for an African Renaissance. Legum (2000:74) describes its modern definition as "...a quest for excellence in moral education, political and economic matters." It has been revamped and advocated by Thabo Mbeki, then deputy president, and from June 1999 President of South Africa. He argues that the post-Cold War era opens the possibility of a decisive shift made in Africa by Africans, towards political, economic and social development.

The historical lines of the way in which NEPAD became the carrier of the Renaissance vision will be traced. Mbeki (1998:193) mentioned certain conditions which guided the principles of the African Renaissance: the potential of Africa's people, and most importantly, the values and principles of democracy. He made the vision of an African Renaissance more practical, by formulating the Millennium Africa Recovery Plan (MAP). This plan, formulated by Mbeki, merged with the Omega plan of Abdoulaye Wade, President of Senegal. Other heads of States among others the presidents of Egypt, Algeria and Nigeria, were also involved in the amalgamation of MAP and the Omega plan. Both plans created the New Africa Initiative (NAI). The NAI was subject to change along with its plan for a more detailed plan after being endorsed by the Organisation of African Unity (OAU), (Anon 2001(a): 1-2). The New Partnership for Africa's Development (NEPAD) became the new name.

NEPAD is a comprehensive plan that enlists African nations for political, economic, and social development. It involves an equal partnership within Africa, and between Africa and global actors such as the most developed States (G8), (Anon (b) 2001: 45). However, one of the vital questions is how NEPAD may be successfully implemented within the democratic ideology now becoming a dominant trend on the global stage but still a largely unpractised ideology in Africa, (Pritvorov and Shubin 2000: 81).

The NEPAD initiative aims to re-address the problems caused by colonialism; deals with inappropriate choice of economic and political policies taken after the independence era; suggests an integrated approach to poverty reduction and development and seeks a new global partnership between the developed world and the African continent based on shared responsibility and mutual interest through the instrumentality of political democracy and economic development on the continent.

NEPAD should therefore be understood against the backdrop of four decades of problems that marginalised the African continent and preceded the development of the plan. The focus and viability of the plan can only be assessed once the issues that it wishes to address have been spelt out.

1.1 Colonialism

This thesis wishes to concentrate on modern European colonialism as a factor that contributed to Africa's economic underdevelopment and therefore part of the problem that Africa wishes to address through the NEPAD plan. Colonialism had a greater impact on the economy and politics of Africa than Western countries are willing to admit. Each colonial state enforced its own language, culture and form of governance onto its colonies. This created an environment where there was self-hatred amongst Africans due to the prominence of the social, economic and political system of Europe in Africa, which were all seen to be all-important (Legum 2000:74).

1.2 The independence era

The independence process involved the agreement between certain colonies and their respective imperial master on how these territories had to be governed after independence. The colonies inherited states that were caught up in dysfunctional political and economic systems, and there was little or no effort to transform them. The beginning of the independence era also saw the intensification of the Cold War. And newly independent Africa was gradually drawn into the environment of the Cold War (Stavrianos 1991:700-727). The divisions caused by the Cold War hampered the development of accountable and transparent governments.

Colonialism cannot solely be held liable for Africa's lack of development. The major contributing factor to Africa's underdevelopment has been the choice of economic policies. Poor leadership, corruption and the prominence of bad governance created economic decay. By 1982 more than 48 governments had suffered coup d'états (Lamb 1987: 108-111) and a good many African governments had reached the point where they could no longer pay the interest on their foreign debts. In 1985 Africa's total foreign debt exceeded double the value of all its export earnings. As a remedy Structural Adjustments Programmes (SAPs) were superimposed upon Africa from the 1980s by the international governmental organisations (IGOs) like the World Bank, and the International Monetary Fund (IMF) (Van der Berg and Du Plessis 2000: 21-24).

1.3 Structural adjustment programmes (SAPs)

In the 1960s the Gross National Product (GNP) per capita in Africa was higher than that of Southeast Asia. However, from the 1970s onwards there was an absence of democratic governance and economic demand driven policies, of bad governance and economic command driven policies. Consequently, with global recession and domestic instability, it was easy for Africa to plunge into political and economic decay. In an effort to recover their economies, independent African states borrowed money on a large scale from IGOs to an extent that repayments were impossible (Van der Berg and Du Plessis 2000: 21-22).

Because of the failure of domestic political and economic policies to contend with the growing economic crises of Africa, the IMF and World Bank initiated and sponsored short-term Structural Adjustment Programmes in over 30 African countries, with the objective of removing the prevailing imbalances. However, assistance was to be granted only if economic reforms were enforced by the states in debt and those seeking loans in accordance with democratic principles. In these conditions, the World Bank determined how the loaned money would be spent within each state's annual budget, (Thomas 1999:10). African states could not deal effectively with these requirements which included: the limiting of credit, subsidies, state employees, and state expenditure especially on armaments and privatisation, as well as increasing taxes (Harvey 1996:130). SAPs demanded reforms that tended to remove serious price distortions. However, inadequate focus was given to the provision of social services. As a result few states could achieve development under these programmes.

In summary, Africa in the 20th century has been marginalised in global affairs. During colonialism European states scrambled to gain a share of Africa's raw materials and labour. In the independence era, Africa became a strategic pawn in the Cold War. In the 1980s Africa found itself in a debt crisis and at the mercy of IGOs and donor states. It is against this background that NEPAD as a product of the African Renaissance was devised with the aim of revitalising Africa.

1.4 The NEPAD Plan

It became a trend in global affairs for states to form regional organisations with a view of creating collective organisation of states in forging political and economical development. Shortly after WW II most West European states experienced appalling economic and political hardship. The USA saw poverty among Western European states as a breeding-ground for communism. Consequently, the Marshal plan was drafted. Headed by General G. Marshal it aimed at creating a highly integrated supranational political and economic organisation that was later to become the current European Union (EU) (Duignan and Gann 1994: 39).

In many respects, NEPAD is similar to the Marshal plan as the African Union (AU) is similar to the European Union (EU). Both plans tried to address the problem of poverty and both the EU and the AU are large regional organisations to assist the growth of political stability and economic growth in their respective regions. The OAU's 4th and 5th extraordinary sessions in Sirte, Libya on 02 March 2001 transformed the OAU into the AU, the latter of which was to become the platform for implementing the NEPAD strategy (then NIA and Omega). The AU, unlike the OAU was devised as a resource base for NEPAD, upon which to build an African economy that can provide Africa with much needed economic and political leverage in global relations.

NEPAD, then, attempts to move Africa from marginalisation to larger participation in global affairs. It emphasises the importance of economic growth and political development. According to NEPAD, Africa requires about \$64 billion annually or 7% of the continent's annual GNP for the next 15 years to close the gap between its states and the states in the developed world (Katzenellenbogen 2002: 9).

The objectives of NEPAD are to eradicate poverty and place Africa on a path to sustainable development, increased African integration and exports, and to encourage democracy. NEPAD emphasises transparency and promotes checks and balances on arbitrary forms of governance.

The NEPAD plan is structured into three sections each with specific objectives and an action strategy (NEPAD strategic plan, 2001: Internet: par. 71-173):

- 1. The first component provides the conditions for sustainable development namely peace, security, and democratic governance. NEPAD notes that development is impossible without democracy, respect for human rights, peace and good governance. Good governance, is therefore, seen as a precondition for Africa's recovery. Economic development, in accordance to democratic principles, is a key element to economic sub-regional and regional co-operation.
- 2. The second component lists sectoral priorities that include bridging the gaps in infrastructure. These include human resource development,

- agriculture, environment, culture, and information communications technology.
- 3. The third component focuses on the mobilisation of resources such as capital flows and market access. Taken together, these aspects will attempt to bring Africa back into the international arena, by meeting basic standards of good governance and democratic behaviour, by focusing on demand driven economic growth and development programmes, and by forging regional and sub-regional co-operation.

Kanbur (2002:92-99), however, argues that NEPAD could duplicate the functions of already existing regional and global organisations, hence claiming to be its own success. This view reveals the confusions that exist about the status of the NEPAD. NEPAD is not an organisation and will not replace the AU. It has been established as a plan that will forge partnerships with actors in global affairs.

Africa's relationship with the developed world has been one of master-servant throughout the period of colonialism. After independence, it was a father-son relationship. From the 1980s it changed to be as Africa the beggar and the developed world the donor. However, in the post-Cold War era Africa has attempted to rebuild itself by adopting the policy of equal partnerships. NEPAD then aims at starting partnerships of equal accountability with global actors such as non-governmental organisations (NGOs), Multinational Corporations (MNCs), the IGOs, the EU, and the G8. African leaders believe that these partnerships will sustain development as they involve conditions such as the establishment of democratic governance with accountability and transparency (Maxwell & Christiansen 2002: 477-487).

2. Motivation and necessity of the study

There is a growing interdependence especially since the end of the Cold War on national, regional, and global level. It is not only between states but also between MNCs, Transnational Social Movements (TSMs), and IGOs which are experiencing a growing level of interdependence in their activities. This

phenomenon is known as "globalisation". Globalisation has caused an intensification of the growing trend of democratic governance, the wider acceptance of the economic free-market system, and the formation of regional organisations such as the EU (Scholte 1998: 14-26).

However, through the same period Africa has been dragging its feet as a result of bad governance, the staggering debt crisis and underdevelopment. As a result, the continent has been sidelined in global affairs. Political repercussions for the world have been that political decay in Africa brought refugees and asylum seekers to their home soil, especially to the G8 states (Scholtz and Scholtz 1996: 55). However, the President of South Africa, Mr. Mbeki, argues that the post-Cold War era opens the possibility for Africa to make a decisive shift towards economic and political development. The NEPAD plan not only acknowledges the need for Africa to become part of the new global environment, but also puts forward the plan on how Africa should become reintegrated into the world economy and thus revitalise itself (Mbeki 1998: 193).

The NEPAD document argues that Africa cannot be ignored. It exists at the centre of various paradigms and discourses. It is in the middle of the globalisation debate — does globalisation impact negatively on developing less developed countries (LDCs)? — and other global issues such as environment, human security, non-governmental organisations (NGOs), MNCs, and SAPs. Political decay has made it central to illegal global trade in drugs, arms, and ivory. Africa cannot be at the mercy of donor states and dominated by IGOs and MNCs. It has to implement a plan that will provide the continent equal partnership with global actors by finding access to global markets; avoid involvement in global or civil conflicts and practice good governance (Southall, 1999: 151-164).

3. Problem statement and objectives

The study will investigate the manner in which Africa intends to address the accumulated problems of bad governance, as well as underdevelopment from the colonial and independence eras. It will also address the issue of Africa's

reintegration into the global economy through a new strategy of macroeconomic growth development and good governance and by forming new partnerships and relations with the developed world.

The objectives of the study are, therefore:

- To analyse the asymmetrical interdependence between the developed nations of the world and the underdeveloped nations of Africa;
- To describe the way in which the NEPAD plan attempts to address this
 problem by accepting the realities of globalisation and a neo-liberal
 macroeconomic approach.
- To determine to what extent these problems are a result of international (global) economic re-adjustment policies, and to what extent they are due to Africa's bad governance and poor economic policies;
- To show that NEPAD and the AU, as the platform from which the NEPAD plan must be launched, are attempts to address the problems of underdevelopment and bad governance; and to critically analyse the specific requirements (political development and economic development) in terms of the NEPAD plan to overcome the problems of economic deficiencies and political decay.

NEPAD's three components for growth and development will be analysed and applied in assessing the development strategy of NEPAD. The first component provides conditions for sustainable development, namely peace, security and democratic governance. The second component involves the bridging of gaps in infrastructure. These include human resource development, agriculture, environment, culture, and information communications technology. Lastly, the third component deals with the mobilisation of resources such as capital flows and market access.

The focus of the study will largely be on the first and third component of the plan. NEPAD should actively promote the first component under member states, which provides conditions for sustainable development: the promotion

of democratic governance and economic free-market policies, and encouragement of regional and sub-regional unity and co-operation. To achieve this NEPAD should utilise the African Peer Review Mechanism (APRM).

The study will, therefore, analyse to what extent the APRM can:

- be an incentive for African states to adhere to the NEPAD strategy;
- how this can contribute to the forging of the new partnership in cooperation with the developed world; and
- Increase foreign direct investment and lure MNC investment to Africa.

The APRM was formed to review the performances of individual AU member states over a certain period, to assess to what extent they have introduced and maintained good governance and economic free-market policies.

The third component concentrates on the mobilisation of resources that are capital flows and market access. With these measures NEPAD intends to deal with the debt crisis of AU member states, and to gain access to global markets.

The study will analyse the disadvantages that need to be faced by the AU and NEPAD in dealing with the debt crisis, underdevelopment, and bad governance. It is also going to focus on advantages that might be gained from the NEPAD strategy.

4. Research Methodology

The study is conducted from a qualitative methodological framework of research and basically follows an explanatory and analytically descriptive approach. The second chapter will provide a conceptual orientation and theoretical framework in which the concepts, as the formative tools of analysis, are defined and explicated. The NEPAD document will be used as a framework for a theoretical analysis of what African states need to do to overcome underdevelopment, to gain legitimacy and to be accepted as equal partners in global relations. In particular, it will explain the globalisation theory

adopted by the NEPAD strategy and explain the link between good governance, legitimacy, and stability on the one hand, and economic growth, development, foreign direct investment and partnership on the other hand.

The method of investigation will rely on a review of literature consisting of books, journals, newspaper articles and Internet sources. Primary sources include the comprehensive NEPAD documents and a descriptive analysis of governance and state structures and economic development from various relevant government sources garnered from the Internet.

5. Outline of the study

As can be deduced from the discussion thus far, Chapter 1 outlines the motivation for the study, the research question, aims and approach to the study. It maps out the NEPAD plan within the context of globalisation through a link between democracy and good governance, legitimacy and political stability on the one hand, and economic growth, development, foreign direct investment and partnerships on the other hand. Chapter two provides a conceptual orientation and theoretical framework in which the concepts are defined and explained. The NEPAD document will be used as the framework for an explanation of concepts and theoretical contexts against which the problems of underdevelopment, legitimacy, equal partners in international relations and the revitalisation of the African continent in a rapidly changing global environment should be viewed. In order to reach this stage, however, African states must accept and implement the principles endorsed by the NEPAD plan. This implies that Africa must comprehend the nature of the continents' marginalisation and underdevelopment (Chapter 3); revitalise democracy in Africa and improve political regional integration (Chapter 4); and strengthen regional economic integration to promote economic development and eradication of poverty (Chapter 5). The study emphasises that NEPAD, is a unique and novel long-term strategic plan devised and endorsed by the African heads of state to squarely and proactively face up to the challenges of African development (Conclusion). It affirms the strategic role that NEPAD has to play in reintegrating Africa into the global political economy of the 21st century.

CHAPTER 2

CONCEPTUAL ORIENTATION AND THEORETICAL FRAMEWORK

This chapter provides the key point of departure for the study. In an attempt to grasp clarity within the study, it describes and analyses the concepts and theories that are relevant to the NEPAD strategic plan. The NEPAD plan is an attempt to reintegrate Africa into the international political system and the global economy as the means of addressing the issues of debt, poverty and underdevelopment on the African continent. In order to place the NEPAD plan and vision within the theoretical framework of the international political economy and the international economic system, a number of important concepts and theories that the international political economy functions with, needs to be elaborated.

Concepts and theories tend to be too broad. They always have an element of universality. To overcome the problem of working with theories and concepts that are too general, these concepts and theories are applied within a specific context, in this case the NEPAD strategic plan. This chapter deals with the following:

- The modern state and the African state:
- The changing global environment and its impact on Africa;
- The reasons for Africa having been sidelined out of the global environment in the late 20th century;
- The attempts to bring back Africa into the global arena as an active participant;
- The conditions of good governance and all that it presupposes to bring
 Africa back as an active participant in global relations;
- Africa's strategic (NEPAD) plan that is design to achieve this.

2.1 The nature of the African state

2.1.1 The modern state

Heywood (1997: 5) defines the state as a political association that establishes sovereign jurisdiction within defined territorial borders and claims it symbolically through the use of a flag and other national symbols. The state is a legal entity that exercises its power by the authoritative allocation of values, decisions, and resources over a defined population (its citizens) through the government and its institutions. The treaty of Westphalia in 1648 codified something of the modern notion of state sovereignty. The modern state became the recognised institution to govern people after centuries of domination by the Roman Catholic Church in Europe. This notion of a state was adapted around the world as the acceptable form of institution to govern society.

One of the important forces in the forging of the modern state has been the rise of nationalism. Adar (2002:74) states that a nation is commonly defined as a people with a distinct political unity and cultural identity, "encompassing shared descent, a geographical area, language, religion and economic order". State formation, especially in Europe, took place around the concept of the nation, so that political scientists generally refer to them as "nation-states".

The 20th century is mostly characterised by the rise and the intensification of globalisation of the modern state. Globalisation compels a state to attempt to regulate a far larger section of human activity in far greater detail than before. Consequently, a modern state has a need for expanded economic and political international collaboration and interaction (Jackson and James 1995: 1-6).

2.1.1 Conceptualising the African state

The concept of an African state is different from that outlined above because of its origins. The uniqueness of the African state relates from its basic historic foundations within international relations in the political economy. The citizens of African states are mostly of different historical peoples, cultures, religions and languages, but who have acquired statehood through decolonisation. As

Adar points out, unity among the citizens is political and not cultural, with the state as the main bond for its citizens (2002: 98).

The Berlin Conference of 1884/5 is viewed as the beginning of the demarcation of Africa into colonial states, or as most historians believe, the scramble for Africa. European states such as Britain, Belgium, France, Germany, Portugal, and Spain gathered to divide Africa among themselves; the USA attended but did not participate. Imperial powers wished to create manageable political and economic units, rather than nation-states, with the result that state boundaries cut across cultural and national lines. The levels of demarcation reached outrageous level of cartographic improbability. In several cases geographical lines of latitude and longitude were utilised. The new state borders included rival ethnic groups, ignored pre-colonial ancient states, and disregarded ecological issues. The devastating consequence of those demarcations is that an African state was typically a state in dysfunction because it lacked political and economic coherence, and most importantly nation-building (Schoeman, 1999: 166-167).

The nature of state formation in Africa provides an important background for understanding the origins and the focus of the NEPAD plan. African governments have since independence embarked on policies of nation-building, but were continuously thwarted by ethnicisism or the overly emphasis of different peoples within the states on their separate ethnic identities. In NEPAD, nation-building in many cases amounts to state-building, in which the emphasis is more on the economic viability of the state and the political legitimacy of the government to engage in relations with other states in the international political economic system. To refer to Adar again, nation-building in the African context actually means transferring a sense of identity from peoples to the state (2002: 99). NEPAD then attempts to produce a sense of nationhood through economic prosperity and development within the African states.

2.2 Globalisation and the NEPAD strategic plan

Academics differ about the origin of globalisation. Most, however, believe that globalisation is a modern phenomenon. The recognition that there is an international dimension to politics became prominent with the emergence of the nation-state and the recognition of the sovereign independence of each state. According to Scholte (1998: 14) Jeremy Bentham coined the term " international " in the 1780s, to describe the new phenomenon of the rise of states and transactions to interactions, among them. In the 20th century world politics emerged in the sense that patterns of conflict and co-operation among states began to extend across the globe, giving the international system a truly global dimension.

Academics differ as to the precise definition of the term globalisation. Scholte (1998: 15) collected a number of definitions from various authors. Three different ones are chosen for this study. The first reference is to Martin Khor, who described globalisation as "what we in the Third World have for several centuries called Colonization. Imperialism extended the European international system to the rest of the world and gave it a global character". The definition of Robert Cox extends Khor's definition, concentrating on the growing global interaction and interdependence among states and organisations (also companies), spanning the globe. The definition that appears to encompass all, if not most academics' definition of globalisation, is that of Heywood (1997: 140).

The emergence of a complex web of interconnectedness that means that our lives are increasingly shaped by events that occur, and decisions that are made at a great distance. The central feature of globalisation is therefore that geographical distance is of declining relevance. And those territorial boundaries, as those between states, are becoming less significant. Therefore, there is a growing interdependence and blurring of boundaries between national, regional, and global level.

In terms of these definitions, one can try to delineate the core features of globalisation. Globalisation has shown that politics and economics are

interdependent and therefore characterise the political economy of the present era. Globalisation, in respect to economy, has unfolded into production, finance and trade that spans politically defined national and regional boundaries. It finds expression in greater cross-border movement of services and goods via trade and investment.

Globalisation affects politics as profoundly as it does economics. In developing countries, globalisation has weakened the social forces that have usually acted as the vanguard for democratic change. However, the impact of economic globalisation on democracy in Africa will be dealt with in the next section

The globalisation of finance has changed forms of banking with the global currencies such as the Yen of Japan (¥), the US dollar (\$) and Euro(€). It has restructured banking along continent to continent deposits, loans, and fund transfers, all of which have become a daily activity. Official foreign exchange reserves in 1970 were US \$100 billion, and by 1995 they had rocketed to US \$650 billion. Bank deposits by non-residents in 1964 were at US \$20 billion, and up to US \$7 876 billion by 1995, while cross-border loans were at US \$9 billion in 1975, by 1995 they reached US \$372 billion (Scholte 1998: 437-441).

Trade involves both production and finance and it has been in existence since ancient times. In modern times it has been globalised to such an extent that it expanded to a multi-billion US dollar industry. Trade is mainly a process of importing and exporting products and services locally, national and globally. By 1980 global commercial service was at US \$358 billion and by 1993 it has spiralled up to US \$934 billion. It is estimated that currently global trade is worth more than US \$4 trillion annually (Mills 2000: 38-39).

Many companies have globalised production of goods and services. Companies always try to minimise labour and manufacturing costs, and to attain a greater equilibrium between these two variables in production costs. In the manufacturing process of a product, parts are assembled in different states, often on different continents. These multinational enterprises —

Nokia, Coca-Cola, Toyota, BMW, the software giant, Microsoft, and others — account for 25% of global production and a third of world exports (Mills 2000: 43-45).

Mills (2000: 15-16, 172) shows that until now, Africa has scooped up very little of this prosperity and wealth created by global trade. By 1999, Africa's share in global trade stood at US \$150 billion per year. This constitutes only about 2% of global trade. Furthermore, the 1990s reveal that Africa had lost US \$150 billion in capital flight. In addition, 39% of Africa's wealth is outside the continent (Mills 2000: 15-16, 172). The consequences of this can be seen in the fact that the majority of African states remain in poverty and are debtridden. This grim situation reflects the disadvantages of developing states, especially in Africa, of passively contributing to globalisation predominantly through primary products. Africa's inability to compete economically has largely sidelined the continent from global economic competitiveness.

Ninsen (2001: 13) argues that Africa's lack of competitiveness in the face of globalisation, has led a large number of African scholars to view economic globalisation as detrimental to the continent's prospects for development. Due to its underdevelopment, especially in the field of the new technology that is driving economic globalisation, African societies and economies have been marginalised and excluded from benefiting from the enormous growth in the world economy. According to these scholars African states generally remain marginalised to global trends under conditions dictated by the developed world. The unequal strengths between the developed and less developed nations manifest themselves not only in the dominant power of the rich nations to control the pattern of international trade, but often also in their ability to dictate the terms whereby technology, foreign aid and private capital are transferred to less developed countries (Van de Walle, 1999: 96-97). The net effect of these factors created a situation of vulnerability among African nations in which forces outside their control had a decisive influence on their economic and social well-being.

The economic crisis has multiple causes. For one, it was generally agreed that mismanagement by repressive and non-accountable governments deserved a good deal of the blame. It cannot be ignored that many African states since the independence era have been following bad governance practices and command driven economic policies. Those policies have been impediments to economic growth and good governance. It appears that in the 21st century developing states, especially in Africa, have come to realise the possible prospects of fully participating in the global economy.

According to the African development Bank over 30 programmes by many role actors and the OAU have been initiated since the 1960s to promote Africa's development. The NEPAD plan is the 16th attempt since the 1980s to assist Africa to get out of political and economic decay (African development 2002: 36).

The NEPAD initiative has grown out of the realisation that the participation of African countries in the global economy is minimal. It was also clear that the obvious benefits of participation in the global economy had to be harnessed, if the continent wishes to overcome the bane of underdevelopment and marginalisation. According to Ajayi (2003:1), the question is therefore not whether Africa should integrate into the world economy; the question is rather what the form and manner of it's integration should be. The appeal for a more open economy is based on a simple but powerful premise: that economic integration will improve Africa's macroeconomic performance.

According to the NEPAD strategy African governments can achieve the desired economic growth and development by creating the right conditions through adherence to good governance, outlawing corruption and crime as far as possible and by avoiding the incessant wars that have plagued the continent for decades. But it is equally important that African companies show the way by investing in their own countries and by stimulating export-led growth by expanding their trade with other companies to other countries on the continent and elsewhere (NEPAD Plan, 2001: Internet, par. 28-35). If

globalisation is good for most of the world's citizens, it can and must also be good for Africa.

The NEPAD initiative is predicated on the acceptance of the reality of globalisation. In section 2, "Africa and the global revolution" of the NEPAD strategic document, African leaders admit that the global economic revolution could provide both the context and the means for Africa's rejuvenation.

While globalisation has increased the cost of Africa's ability to compete, we hold that the advantages of an effectively managed integration present the best prospects for future economic prosperity and poverty reduction (NEPAD plan. 2001: Internet, par. 28).

In the abovementioned discussion an attempt has been made to explain the acceptance of globalisation among government leaders from Africa and globalisation's possible impact on Africa's prospects for economic development. What has not been mentioned is the political philosophy central to globalism, or the ideology that globalisation is the way foreward for economic development. Central to this approach is a liberal democratic political ideology that argues that democracy and good governance are prerequisites for economic development within a country and that the market must have a greater share or have greater control of the economy than the state. The implications of this is not explicitly stated in the NEPAD document, but in debates and discussions that followed on the adoption of the NEPAD document at the Lusaka OAU Summit Meeting of Heads of State and Government in October 2001.

2.2.1 Globalisation and democracy

"African leaders have learnt from their own experiences that ... democracy, good governance, ... and sound economic management are conditions for sustainable development" (NEPAD plan, 2001: Internet, par. 71). Democracy is a form of democratic rule. This term originates from the Greek word *demos* = people, kratia = govern. Greek City states (polis) such as Athens in ancient times, practised democracy as a form of governance. Former USA President

Abraham Lincoln argued that it is a government of the people, for the people, and by the people. This implies that the government is elected by the people to represent the people, and therefore attains legitimacy. Democracy is a form of governance that has the following prominent characteristics:

- Majority rule which guarantees individual liberty.
- Equality and popular consent with the protection of minority interest.
- Constitutionalism and the protection of it by an independent legal system.
- Institutional fragmentation and a system of checks and balances;
- Regular elections that honour the principle of one man one vote,
- Political party competition and political pluralism,
- The independence of organised groups, and interest from government and private enterprise economy organised along free market lines (Heywood 1997: 28, 42-43).

The reality in Africa has been that shortly after the independence most African states relapsed into authoritarian or military regimes. Authoritarianism takes the form of a "government from above" without popular consent. Military regimes belong to a broader category of authoritarianism. The armed forces take control of government after a *coup d'état*. Normal political and constitutional arrangements are suspended or banned. Democratic institutions like elected parliaments and the media are abolished or severely controlled (Heywood 2002: 38-39). As a consequence Africa has experienced far more than 40 successful *coups d'états*, 80 plots to overthrow heads of state or leaders of government and 17 mutinies from armed forces of the state. This has led to civil wars to become a trend and the displacement of the millions of people as refugees a common sight (Kaya 2001: 6).

Many scholars of Africa like Claude Ake (ca. 2000), Adebayo Adedeji, Kwame Ninsen (2001), Elsie Onubogu (2004), in discussing the impact of globalisation on democracy, believe that democracy in Africa faces a new threat from the process of globalisation. In their view the imperatives of globalisation relentlessly undermine the framework of the nation-state and as the relevance of the nation-state diminishes, so does democracy. The

struggle for democracy can only occur within the political framework provided by the state, for democracy is ideally articulated in the context of the organisation of political power, exercised by the state as the traditional repository of sovereignty (Ake, ca 2000: 26; Ninsen, 2001: 15).

As Van de Walle argues, the nature of Africa's integration into the world economy diminished African governments' discretionary decision-making powers. State sovereignty is based on the jurisdiction that the state exercises over a specific territorial domain with clearly demarcated borders. Globalisation transcends national borders. Regulatory activities in world politics now also involve suprastate organs like the IMF, the World Trade Organisation (WTO) and the European and African Unions, market agencies and civil society agencies, like Green Peace and Human Rights Watch.

Sen (2004: 28-29) argues that democracy as a form of governing a society can be traced back many centuries past for societies all over the world. The notion of public discussion, rule by consent and majority rule are accepted by all societies.

Globalisation has encouraged a shift in the method of governance. Democracy has emerged as the most favoured form of governance over the past decades. In the 1970s it was mostly Greece, Spain, and Portugal that democratised. They were followed in the 1980s by South American states. With the end of the Cold War in the 1990s, first Eastern European states and in close succession Africa states followed with democratic dispensations. In Africa by 1999 there were about 32 democratic elected governments (Mills 2000: 64-65).

Against this background African leaders saw it a necessity to develop the NEPAD strategy that could revitalise and prioritise good governance and democratisation. A new political ethos of government by consent, accountable leadership and rule of law had to be developed before regional co-operation and economic growth could be guaranteed.

The benefits are reciprocal. As van der Walle has pointed out, once economies have improved their ability to generate growth, the prospects for democracy are improved. Economic growth help governments to increase their income through taxation and spending on education and health, which is the best single way to ensure that growth enhances social and economic equality. In turn, improved equity helps sustain democracies (van de Walle, 1999: 106).

2.2.2 Good Governance

"Governance" as a term originates from Latin *gubernare* which means to guide or rule. It is similar to democracy and in most cases it is part of it. Good governance is a composite of efficient, transparent, and accountable government. It involves the process or exercising of rule over people or society, and the management of resources for the sustained development of the economy and society. Good governance has the following features:

- Deliberation and consultation with the society, especially with interest groups,
- The prominence of transparency and accountability,
- The capacity to act and deliver basic services by the government,
- Consistently effective and efficient delivery methods,
- The monitoring of government activities in evaluating accountability and transparency,
- The institutionalisation of co-operative government,

(Jonker 2001: 65-66).

The NEPAD strategic plan (2001: Internet, par. 71-81) acknowledges that development in Africa should be sustained politically through the prominence of good governance and democracy and the implementation of democratic economic principles as part of a global trend. However, it becomes obligatory to have independent institutions that preserve and protect democracy and good governance. Jonker's, descriptive analysis of South African institution that were written into the 1996 constitution to preserve and defend good

governance and democracy is a vivid example of the kind of institutions Africa requires to sustain good governance and democracy (Jonker 2001: 79-84).

There has been a growing notion that the end of the Cold War theoretically meant the end of non-democratic states and command driven economic policies (socialism and communism). Democracy it was thought could thrive internationally. After the end of the Cold War it has become a trend for state and non-state actors to practise democratic principles if they are to benefit from globalisation. African leaders have realised that free-market economic policies and democracy (and good governance) are prerequisites for development in Africa and for forming symmetrical relations in global relations (NEPAD Plan, 2001: Internet: par. 30-49).

According to Nel (1999: 48-62) global relations can be interpreted in numerous ways. However, it is the two prominent theories of globalisation that reveal how the interactions of state and non-state actors especially in Africa function. These theories are liberalism, and realism.

2.2.3 Realism

It is important to evaluate how the state evolved in relation to economic development. After 1648 the state became the primary authoritative institution over society. State officials and governments believed its existence was in danger. In an effort to preserve the state's existence and its authority over society, governments followed protectionist policies to build their economic power, and acquire foreign economic empires to supply the home state with limited resources and to serve as export outlets for surplus produce. This protective economic policy is called realism or mercantilism (Leysens and Thompson, 1999: 24-26).

After the end of WW II many African states became independent mostly since the 1960s. These states have become part of the international system. The absence of central authority has made global relations to be a struggle for power, among and between states. The United Nations (UN) does not have the authority that it should have. During the Cold War it was largely ignored and regarded as redundant. States then had such power that they were the dominant actors in global relations. They influenced if not outright controlled non-state actors. Overall, states interact with each other, driven by security threat balances of power among them, national interests, and the protection of their autonomy. For realists, globalisation did not significantly change the character of global relations or the dissolution of state borders (Nel 1999: 47-52).

Dunne (1998: 114) believes that although realist can differ on the exact meaning and denominations, they all agree that realism has the following key elements: statism, survival, and self-help.

Statism is the centrepiece of realism. The state is the pre-eminent actor and all other actors in the international system are of lesser importance. State sovereignty signifies the existence of an independent political community, one that has juridical authority over its territory, population, and all other institutions. The population trade its freedom for security. Once the security in a state is organised then a society can develop. Each state is fundamentally a power state. It organises its power nationally. In the international system there is no global government, a sovereign state exists with others in an anarchic system. States therefore compete for power in a zero-sum notion: thus there emerges super power(s) from time to time. During the Cold War the USSR and the USA were the superpowers and they bipolarised the world. After the end of the Cold War the USA remained the sole superpower (Dunn 1998: 114 -116).

In the international system the main goal is the survival of a state. Survival is the supreme national interest to which all political states must adhere. States that want to guarantee their survival stock up in military hardware and software and increase their economic and political influence. If the major objective is to preserve the security of the state leaders must adopt actions that, judged according to the outcomes, will lead to the survival of a state rather than in terms of whether the act is wrong or right. The decision by the

USA and Britain to attack Iraq in 2003 can be seen as a good example (Dunn, 1998: 116-117).

The basic difference between the national and international system is the structure. In the national structure the state has the authority to govern society. In the international system there is no higher authority to counter the use of force. Security can be realised through Self-Help. However, since the end of the Cold War states prefer collective security systems, forms of regional to sub-regional integration (Dunn, 1998: 118-119).

2.2.4 Liberalism

Liberalists have a different view on how globalisation functions within the global relations between state actors and non-state actors. One of liberalism's most prominent advocates was former US President Woodrow Wilson. He was aware of the destructive influence that World War I had wrought on mankind. In an effort to prevent further political decay and another World War, Wilson made his famous "14-point" speech to the USA senate on 22 January 1917. It listed the following issues:

- Democracy and good governance should be promoted and encouraged in all the states, because democratic states rarely fight each other. In addition, accountable and transparent governments prevent and avoid peace-threatening ambitions of leaders;
- The self-determination of oppressed major and minor powers should be promoted;
- Mercantilist policies should be lowered to acceptable levels and possibly removed. Lower trade tariffs encourage interdependency and co-existence among states;
- Creating an international organisation that would be the League of Nations, replaced by the UN after WW II should strengthen international relations.

Liberalism postulates that international relations create interdependency and co-operation for mutual benefit. It sees international relations as interaction between state and non-state actors where there is stability through co-

operation and interdependency. Liberalists assume that the democratic trend is caused by the fact that democratic states are peaceful (Nel, 1999: 58-92).

This theory impacts greatly on international relations with Africa, especially on Africa's vision of revitalising the continent. The NEPAD strategic plan has certain similarities with the 14-points speech of former US president Wilson. It acknowledges that for Africa to revitalise, there are certain pre-requisites. Firstly, it is to encourage, promote and implement democracy and good governance among African states. Secondly, it is to follow and implement free-market economic driven policies. Lastly, it should aim at reducing trade tariffs and the debt crises in African states through a partnership with other states outside Africa, by fostering interdependent relationships among state actors and by establishing partnership relations with non-state actors (NEPAD Plan, 2001: Internet, par. 71-88, 147-173).

Furthermore, just as the United Nations had to replace the League of Nations, since the latter had no real influence, the OAU was similarly replaced by the African Union as the vehicle for driving Africa's new commitment to democracy and development on the continent.

In international relations "actor" refers to individuals, groups of people, states, organisation, companies, and institutions. It encompasses all the involved parties in global relations from global crime syndicates to non-profit voluntary organisation. In this study, a differentiation is made between state actor and non-state actor. State actors in global relations include more than 194 states, most of which are members of the UN General Assembly. In addition, intergovernmental organisations (IGOs) are also state actors. These are organisations such as the European Union (EU), the African Union (AU), and the World Trade Organisation (WTO) (McGowan & Nel, 1999: 10-11).

2.2.5 Intergovernmental Organisation (IGOs)

In modern times, the first known IGO was created by the European states in the 1800s. It was called the Public International Unions and it dealt with trade, communication and intellectual property, to name a few (Murphy 1999: 109-112). It is international tragedies such as Great Depression 1929-1933, World War I and II that contributed to the rise of a large number of IGOs. The USA and other states saw a need to create IGOs in order to keep international peace and restrict world war. These crises led to the establishment of the UN, the International Monetary Fund (IMF), and International Bank for Reconstruction and Development (IBRD) also known as the World Bank, and the General Agreement of Tariffs and Trade (GATT), which became the WTO (Leysens & Thompson, 1999: 34).

The IMF has services that include Buffer Stock Finance Facility, which contributes to buffer stock agreements. The Compensatory and Contingency Financing Facility (CCFF) bridges finance to primary producers, who have shortfalls in exporting earnings. It also has a Structural Adjustment Facility (SAF) that provides medium size loans to developing states. Furthermore, it has an Enhanced Structural Adjustments Facility (ESAF) that grants large loans to developing states. It oversees the foreign exchange issues of member states. The important issue is to float the exchange rate system, which is controlled by speculators (Leysens & Thompson, 1999: 36). The World Bank is responsible to the International Development Association (IDA) that gives soft loans to the poorest developing states. It works with the Overseas Development Agency (ODA) and the Organisation for Economic Co-operation and Development (OECD). The international Finance Corporation (IFC) provides funds to private companies in developing world. Finally, the Multilateral Investment Guarantee Agency (MIGA) gives investment insurance.

From the 1980s to the 1990s at least 29 African states were put under SAPs, at the behest of African states themselves in conjunction with the demand of World Bank and the IMF (Leysens and Thompson, 1999: 36). The political instability and economic decay that Africa has been plunged into was uncommon before the 1960s. In the 1960s, the economies of Africa surpassed that of Southeast Asia. However, from the 1970s most of Africa was plunged into debts. There are many reasons to explain this phenomenon

is the global recession and drought in Africa. Africa was hard hit because agriculture formed its prime produce. Economic despair led to capital outflows most being state funds (Van der Berg & Du Plessis, 2000: 21-22).

In trying to curb the economic crisis African states borrowed heavily from the IMF and World Bank. These IGOs realised that most African states were late in their payments and, therefore, from the 1980s Structural Adjustment Programs were enforced. This implies that Africa had to restructure its annual budget to fit the requirements of SAPs, through endeavours such as cutting of credit, civil service personnel, subsidies, state expenditure especially on armaments, and increase taxes (Harvey, 1996: 130-142).

The NEPAD strategic plan is very much an attempt to look for alternative solutions to Africa's debt problem and its chronic underdevelopment. According to the NEPAD plan (2001: 5) "The (SAPs) of the 1980s provided only a partial solution. They promoted reforms...but gave inadequate attention to social services. As a consequence, only a few countries...achieved sustainable higher growth..." Africa cannot be subject to asymmetrical relationships if it is to revitalise itself".

GATT functioned largely between the developed states such as Europe and USA. Consequently, the WTO was established to promote free and fair trade among developed and developing states. It deals with tariffs, tax, and import duties that are imposed on imported products and services. It also deals with trading blocks, which are group of states that promote trade amongst themselves by lifting trade restrictions, and follow joining policies on trade (Leysens & Thompson, 1999: 34-36).

The WTO has not been able to contribute to the developing states' already fragile economies. The developed states continue to sustain tariffs on the products of developing states, especially in Africa. The European Union subsidises the agricultural sector with US \$20 billion annually. This has made it expensive and largely impossible for Africa to access and compete in the international market (Gibb, 2002:11).

The UN that was officially formed in 1945; aimed at maintaining international peace and security, developing friendly relations among and between state actors so that they could co-operate in solving economic, social, and cultural global problems.

The UN has been involved in Africa predominantly through Security Council resolutions. The Congo Crisis in the 1960s (ONUC) was the first and most expensive at that time. Recently, UN interventions had been in Angola, DRC, Rwanda and Burundi. However, intervention had been a case of "too little too late," (Schoeman, 1999: 168-169).

Africa increasingly began to look after itself in this regard given the renewed momentum of peacekeeping and state security with the formation of NEPAD and the AU in the continent's quest for peace and prosperity. In 1998 the UN Secretary-General, Mr. Koffi Annan, made a number of proposals in the UN report on African development, **United Nations New Agenda for the Development of Africa in the 1990s (UN-NADAF report of 1998)** on how to address Africa's protracted problems. One of the specific recommendations was that peacekeeping forces should be drawn from Africa itself and the international community should strive to complement rather than supplant African efforts to resolve Africa's problems.

African leaders responded to this recommendation by suggesting in its schedule for the first six months of the operationalisation of the NEPAD plan that the Committee of Ministers of Foreign Affairs should be commissioned to review capacity-building needed for peacekeeping structures at both the regional and continental levels (NEPAD plan, 2001: Internet, par. 74). It consequently became a task incorporated into the programme of action of the African Union.

IGOs have the habit of proving humanitarian aid, financial assistance and relief work to any African state a trend which has made it easy for authoritarian states to pass their responsibilities to IGOs and NGOs. The

NEPAD strategic plan emphasises the need to establish a more equal share of accountability between the IGOs, NGOs and Africa states. There are recommendations that IGOs and NGOs should only assists African states that are committed to democratic governance and economic liberalisation. However, that would create polarisation between democratic and dictatorship states and possibly led to world war (Mills, 2002: 32-34).

State actors based at regional level have their globally effective influence. Regionalism has been a phenomenon that realists depict as a reality other than globalisation; it creates an opportunity for African states to fully participate in the globalisation process.

2.2.6 Regionalisation

The rise of nationalism in the 20th century has subsequently led to the collapse and decline of the European Empires. They had the political and economic control of the Middle-East, South East Asia, Caribbean, Africa and the Pacific Island, until the end of WW II. What is now international relation was prior to WW II, the international relations of imperial states of Europe. Decolonisation after WW II created newly independent states and regionalised internationalised state system (Jackson & James, 1995: 12-13).

The 1980s were characterised by a worldwide proliferation and deepening of political, economic and security-oriented regional arrangements, in a wave that has since been termed the 'new regionalism'. Due to the UN's ineffectiveness and dwindling power during the Cold War era, there has been a growing necessity for state actors to establish regional and sub-regional organisations. Regionalism can be defined as the process whereby a group of states linked geographically and historically, and which are politically, socially and economically interdependent, creates formal or informal organisations for managing their mutual interests. A regional organisation lays a social claim to a geographic area between the scale of the nation-state and the international system and accumulates regional power over social, economic and political relations of the demarcated region (Mills, 2002: 9).

In the globalised economic system of the 21st century, state economies especially those of the developing states, cannot compete against the powerful economies of the developed states. They have to link up and integrate with neighbouring states with common interests, and which share political and economic values. Economic integration usually involves the formulation of common procedures, the sharing of values and expectations, the establishment of customs unions and the peaceful resolution and settlement of disputes among member states (Butler, 1998: 411).

Earlier regionalisms were closed systems with protective focus; modern regionalism has shifted to give way to the 'port of entry' vision (Kenechi Omae, in Mills, 2002: 2)). The open regionalism of today is seen as a gateway to global economic competitiveness. Furthermore, interdependency at regional level is more intense than at a global level. Addressing issues at regional and more especially at sub-regional level often make for greater efficiency and understanding of problems than attempting to address these issues at global level (Vincent, 1999: 23).

The USA, Canada and Mexico created the North America Free Trade Association (NAFTA) in 1994 which is mainly an economic association. In 1992 the Asia Pacific Economic Co-operation (APEC) included states such as Australia, New Zealand, the USA, Malaysia, Japan and Russia. The most popular and successful regional organisation is the EU. It started as a steel and coal producing co-operative between Western European states, but developed into the political and economical organisation in the 1990s. Africa established the Organisation of African Unity (OAU) in 1963 when African leaders realised that unity within the continent would encourage better relations and development in Africa. However, it was not unity which was on the table but rather balkanisation (Butler, 1998: 412-423).

In trying to forge unity, federations were formed among these the Casablanca, Monrovia, and the Brazzaville Twelve. They caused more divisions than unity and were cancelled. The other issue that made OAU insignificant was its

inability to find a solution on how the organisation would be governed. Ghanaian President, Nkwame Nkrumah, promoted the necessity of the OAU as a strong political and economic organisation, whereas most African states wanted a loose political organisation. Although the organisation had commissions and structures, like the General Assembly, it had no measures of implementing its policies. African states could be ignored for violating the OAU Charter. Consequently, bad governance and undemocratic government became a common occurrence (Červenka, 1977: 6-20).

In an attempt to overcome the marginalisation of Africa the OAU decided to position the organisation to directly respond to the challenges of globalisation. At an extraordinary summit in Sirte, Libya, in 1999, the OAU Review Committee initiated the conversion of the OAU into the AU which was inaugurated in 2002 (El-Ayouty, 1994: 180-190).

The NEPAD strategic plan (2001: Internet, par 93-95) highlights the capability of Africa's sub-regional organisations to implement policies that will foster strong economic and political integration. Economic integration should enable Africa as a strong unified market to compete with others in the global market place. However, this should be achieved through the practice of good governance, in the African states. It implies the presence of independent institutions devised to safeguard ethical governance and the monitoring of governing processes. South Africa's new constitution that was approved in 1996 instituted watchdog mechanisms to support and sustain democracy and good governance through the Public Protector, the Human Rights Commission and the Constitutional Court to support the processes of good governance in South Africa (Jonker, 1999: 79). This should serve as an example for African states to follow in the process of institutionalising democracy in their own states.

Although this is not specifically stated in these terms, the birth of the African Union should be seen in conjunction with the launch of NEPAD. The AU is the vehicle that must carry the plans for Africa's economic revitalisation and puts much more emphasis on economic development than its predecessor, the

OAU that concentrated on political independence. This paradigm shift can be seen clearly from the AU's stated vision (African Union, 2002: Internet):

- To accelerate the socio-economic integration of the continent;
- To create partnerships between governments and all segments of civil society;
- To promote peace and security within the continent as a prerequisite for the implementation of development.

The AU foresees that NEPAD will become the economic arm of the AU and that the AU's structures will be devised in such a manner that they complement NEPAD's long-term objectives. Thus it is envisaged that the autonomous NEPAD secretariat in close co-operation with the regional economic communities will become the main driving force and implementing agency of the AU's economic system (African Central Bank, African Monetary Fund, African Economic Union).

According to its Constitutive Act that replaced the AU charter the organisation's principles and objectives are the promotion of democracy, good governance and regional integration as fundamentals of economic and political development. The notion however, of non-interference by any member African state into the internal affairs of other member states remains deceptive and retrogressive. Since the creation of the OAU African leaders have had a tendency of using the principle of non-interference to carry out unacceptable government practices and therefore the principle of non-interference has led to political decay. Nevertheless the AU is equipped with organs as stipulated in Article V of the Constitutive Act such as the Pan-African Parliament, Court of Justice, African Peace and Security Council (Constitutive Act, 2001: Internet, 1-14).

The AU like any regional organisation of developing states is faced with the challenge of global competition in the political and economic fields. More than 60% of world trade is done at regional level. Africa could be a trading block

with potential if it were to act concertedly in the global economic environment (Chinsinga, 2001: 65). Furthermore, Africa should yield its sovereign prerogatives to collective regional political (democratic) and economic (liberal) organisations. Political decay in Africa has been linked to lack of regional interdependence, authoritarian states and state controlled economic policies (Mills, 2002: 61-62).

Realists emphasise this point by referring to the Triad (North America, Japan and Southeast Asia, and Western Europe). Tade among the Triad members is evidence that the balance of power exists but has evolved to regional organisations trying to form alliances to outwit potential threats to their home soil (Nel, 1999: 47-52). The Triad in 1980 accounted for 55% of global exports and 60% imports of goods. In 1990 it was 64% for imports, and exports respectively (Tooze, 1998: 223). Realists further emphasise states' lack of cooperation and willingness to be selfish through unequal the trade deals. The Triad, especially USA and Japan have increased agricultural imports tariffs to the amount of US \$20 billion in 1999. For African states exporting agricultural produce, it has therefore become extremely difficult to access these lucrative markets (Gibb, 2002:1).

For Africa to increase its share of the global trade it will have to integrate and co-operate both economically and politically. The NEPAD strategic plan (2001: Internet, par 81-95) highlights the capability of Africa's sub-regional organisations to implement policies that will foster strong economic and political integration. Economic integration should enable Africa as a strong unified market to compete with others in the global market place and to engage in symmetrical partnerships.

Most importantly is that the AU through these sub-regional organisations could be a creditable structure for implementing democratic, good governance, and free-market economic policies.

Africa realises the need to form and maintain partnerships with (non-state actors) the private organisations and companies. Their role in Africa can no

longer be ignored. It is with that belief that it is one of Africa's priorities to implement and sustain public-private partnerships (NEPAD plan, 2001: Internet, par 154).

2.2.7 Non-Governmental Organisation (NGOs)

There are different types and forms of non-state actors. These include non-governmental organisations (NGOs), multinational corporation (MNCs), and transnational social movements (TSMs). The effect of globalisation has made it increasingly important for states to co-operate and act interdependently, with each other as well as with non-state actors. Liberalism believes that the role of non-state actors in global relations cannot be ignored. This section therefore wishes to point out the role and impact that NGOs, MNCs and TSMs can have on international relations and on Africa and why they are important in the context of the NEPAD plan.

In modern times NGO involvement in global relation goes back to the 1600s. Organisations like the anti-slavery movements were NGOs. However, over the centuries NGOs have been largely ignored by academics. NGOs have been able to mobilise people that put pressure on their governments for voting universal rights in Europe, for the end of *Apartheid* in SA in the 1980s, for civil rights in the USA in the 1960s, and so on. NGOs, according to Willetts (1998: 298) are categorised into interest groups such as the trade unions, civil societies, lobby groups, and private or public voluntary organisations that seek to influence economic policy, military action, and political decisions by the specific government(s).

NGOs, however, exclude MNCs, rebellious movements, and criminal organisations. NGOs have a formal structure, and a permanent secretariat or body. On the other hand, TSMs have a much looser structure. A TSM is an informal collection of people who share the same political/social goal and take co-ordinated action. These organisations are non-profitable and services oriented. They include Greenpeace, World Wildlife Fund (WWF), and Amnesty International (AI), to name but a few. As a result of the growing

pressure NGOs and TSMs put on state actors, they have wielded much influence. More than 20 000 NGOs function in partnership with the UN Economic and Social Council. Their role is to participate as observers, submit statements on intergovernmental forums (Vincent, 1999: 125).

NGOs and TSMs are usually perceived as anti-government. In Africa where their role becomes significant in a state ravaged by war, and beset by corruption, they command a great influence. They have been most noticeable during the 1994 Rwanda Civil War whereas IGOs like OAU turned a blind eye. NGOs could only intervene not to prevent further genocide, but on a humanitarian basis. Save the Children, Medicine Frontiers, International Rescue Fund and so on, took over the tasks of state actors. It is astonishing to note that NGOs which are engaged in such tasks are providing emergency relief and aid currently amounting to about US \$2.5 billion per annum. It reveals the increasing role and influence of NGOs within the international relations in a globalised world and the role that they are and can play in future to address the issues of poverty in Africa (Schoeman, 1999: 173).

By 1996 Africa owed more than US \$300 billion to the world (Mills, 2000: 174). This condition could mostly be attributed to the lack of good governance and democracy. Where the state is in political decay corruption becomes rife as so often has happened in Africa, leaving the continent indebted. A constructive partnership with private financial institutions together with NGOs can make a significant contribution to curbing the siphoning of state funds into private accounts. Furthermore, the co-operation of ODA and OECD as well as donor organisations' are greatly required to renegotiate the debt settlement issue and if possible the debt cancellation. A solid alliance with NGOs should be sufficient in renegotiating a debt settlement (NEPAD plan, 2001: Internet, par. 146-155).

Private companies have played a leading role in Africa. They have been one of the few stable institutions over the past decades. Owing to their influence they have been effective when sufficiently utilised to sustain or suppress government policy. South Africa's *Apartheid* policies thrived and suddenly

struggled because of a strong business lobby for reforms (Ake, 2000: 130-131).

2.2.8 Multinational Corporations (MNCs)

MNCs cannot be analysed or regarded as NGOs. They are profit-making organisations. Their sudden great growth and influence in global relations warrants separate treatment. MNCs in the USA have had a great influence and continue to influence the formulation and reformulation of the foreign affairs policy of USA as the world's largest economy) (Evans and Newnham 1998: 332-333). Their role cannot be underestimated in global relations since they constitute 1/3 of global exporters and 25% of global production (Mills, 2000: 43-45).

However, MNCs have been ignored by academics for many years. In modern politics their role in global relations can be traced back to the Dutch East Indian Company (VOC) of the 1600s. The company was importing from the east through the Atlantic to the Indian Ocean. It realised the importance of the Cape Peninsula as a refreshment station on the long voyage to the East. The basic aim under Van Riebeeck was to create a harbour-trading zone for passing ships. The VOC, however, became entwined in political conflict with the local Khoisan people. Another company that may be recognised as an early MNC was the British South Africa Company (BSACO) under Cecil John Rhodes in 1889. This company was instrumental in the creation of modern Zimbabwe and Zambia and now is the world-renowned De Beers Company (McGowan, 1999: 231).

MNCs are viewed as privately owned business enterprises organised in one state but with activities in other states, sometimes up to 50 different states on four continents. In the sale/GDP of 1997 table General Motors had annual sales of US \$164 billion, while SA had US \$129 billion GDP (Mills, 2000: 45). MNCs of SA such as SAB Miller had branches in 15 African States by 2000. These MNCs include clothing stores and food outlets like Woolworth's, Shoprite-Checkers, PEP to name but a few (Mills, 2000: 45-46). However the

FDI of MNCs between 1996/7 was worth US \$350 billion, but Africa only got US \$5 billion (Vincent, 1999: 129).

Politics and economic issues affect and influence one another. In Africa many MNCs have taken an advantage of the circumstances of bad governance and undemocratic government for their own benefit. Before investing in a specific African state they put their own conditions and demands instead of a government listing its regulations and code of conduct to the MNCs. OTRAG of Germany in 1976 was given unlimited rights by the Zaire Leader, General Mobutu. The territory was 150 000 square kilometres. Others like British Lonrho in 1971 have been involved in the governing of the African States, and hence taking critical decisions and strategic decisions (Schoeman 1999: 172-173). Conditions as the above mentioned help to sustain bad governance and dictatorship government in Africa.

2.3 New Partnership for Africa's Development (NEPAD)

The NEPAD plan is a strategy that aims to move Africa from marginalisation towards achieving sustainable development in the 21st century and towards participation and equal partnership in global relations. It emphasises the importance of economic growth and democracy as a prerequisite for Africa's revival and is therefore also a development programme "anchored on the determination of Africans to extricate themselves and the continent from the malaise of underdevelopment and exclusion in a globalising world" (NEPAD plan, 2001: Internet, par. 1). Africa according to the NEPAD plan requires about US \$64 billion annually or 7% annually of the GDP of Africa for 15 years to become fully equal with other global actors and to participate in international relations (Katzenellenbogen, 2002: 9).

The objectives of NEPAD are to eradicate poverty, place Africa on a path of sustainable development, and increase African regional and sub-regional integration and encourage democracy. NEPAD is structured into three components with each having its objectives and action strategy: The first component provides the conditions for sustainable development – peace,

security, democracy and political governance, economic and corporate governance and the sub-regional and regional co-operation. The second component has sectoral priorities that include bridging the infrastructure gap; human resource development, the agriculture gap, environment, culture and information communication technology. The third component focuses on the mobilisation of resource: capital flows initiatives and market access initiative (NEPAD plan, 2001: Internet, par 71-95 and par 147-173). However, this study concentrates mainly on the first component, and the third component.

The Heads of State and the Government Implementation Committee was assigning the task of implementing NEPAD. During the committee meeting held in Abuja, Nigeria on 23 October 2001, they formed a 15-member task force for the implementation of NEPAD. .

The prime function of the implementation committee is to set policies and priorities as well as the program of action. The committee reports to the AU annually (Katzenellenbogen, 2002: 9).

There are some academics like Kanbur (2002: 92-99) who argue that the NEPAD plan is going to duplicate the functions of existing regional and global organisations. This view reveals the confusion that exists about the status of NEPAD. It is not the organisation and will not replace the AU. It has been created as a plan of the AU. Previous plans like the Lagos plan of action in the 1980s were ignored because the Cold War was rather more important than African unity in global relations. Africa's relationship with the developed world has been that of master-servant through colonialism. After the independence of the 1960s, it was that of a father-son relationship. From the 1980s to the present it has been reduced to the beggar of the world.

However, in the Post-Cold War era Africa is attempting to revive itself by forming constructive partnerships with mainly the developed states, IGOs, NGOs and MNCs. Partnerships could help to sustain development as it holds both partners accountable and requires transparency. This implies donor states, the ODA could be held accountable by the receiving partners. These

measures should be considered as a means of avoiding and restricting what happened at the Lomé convention in Togo. Donor States found themselves legally obliged to aid dictators like Idi Amin of Uganda, Mohammed Siad Barre of Somalia, General Mobutu of Zaire (now DRC), among others (Maxwell and Christiansen 2002: 477- 487).

2.3.1 The NEPAD African Peer Review Mechanism (APRM)

The APRM is a wholly unique concept to have emerged from the NEPAD document and a first in political mechanisms of this nature to foster good governance and economic development in international politics. It has succeeded in capturing the attention of the G8 and other aid donors at a time when the international community was willing to drop Africa from their agenda and shift their focus elsewhere.

The prime purpose of the APRM is to "to foster the adoption of policies, standards and practices that lead to political stability, high economic growth, sustainable development and accelerated sub-regional and continental economic integration through sharing of experiences and reinforcement of successful and the best practice, including identifying and assessing the needs of capacity building" (APRM,..., 2003(a): Internet). This is an ambitious attempt by African states to review their performances on good governance and economic liberalisation (Cilliers, 2002: 1-2). The function of the APRM therefore is to ensure that the policies and practices of participating African states confirm to the agreed political, economic and corporate governance values, codes and standards contained in the declaration on political (democracy), economic, and corporate governance as endorsed in the inaugural Summit of the AU in Durban, South Africa. The purpose of the APRM is to nurture the adaptation of policies and standards using criteria and indicators for monitoring progress that lead to political stability, high economic growth, and sub-regional and regional economic integration (APRM, 2003(a): Internet).

The APRM emerged from October 2001 in the first meeting of the NEPAD plan Head of State implementation Committee that met in Abuja, Nigeria. They agreed that there was a need to set up parameters for good governance to guide political and economic activities. The APRM created a leadership and management structure consisting of the panel of Eminent Persons, and the Secretariat (Cilliers, 2002: 3). This was to foster APRM competence, creditability, and which overall had to be free of manipulation. Furthermore, the Eminent Persons as a group of 5 to 7 persons, who have excelled in their careers that include political governance, macro-economic management and public financial and corporate governance had to direct and manage the APRM (APRM, 2003(b): Internet).

The APRM is a voluntary self-monitoring mechanism. If an African state is to join that state should sign the NEPAD declaration on political (read: democracy) and economic (read: liberalisation) governance. Furthermore, the new member state should state its time-bound programme for implementing what the APRM recommends. There are four types of review with time-bounds of 18 months to five year. They go hand-in-hand with six stage reviews. The six stage review ends as the agenda for the Pan-African Parliament. Although the review period seems unnecessarily extensive, it must be borne in mind that most African states like Libya, Angola, Tanzania, Zambia, Sudan, Somalia among others have been plagued by military dictatorships, civil wars and the socialist paradigm that did not require public accountability or provide these states with democratic principles which of necessity require a longer period of institutionalisation.

The decision to submit to a state audit by the APRM panel is voluntary. No African state can be forced to subject itself to review by fellow statesmen or states. This is both the strength and the weakness of the APRM (Cilliers, 2002: 3-5) and (APRM, 2003(b): Internet).

In view of the above-mentioned, the APRM should be able to assist the NEPAD plan in contributing to the forging of the new partnership for the development of Africa with the developed states, NGOs, IGOs and MNCs. In

the medium to long term, the APRM could lure FDI to African states that comply with the APRM.

2.4 Conclusion

The concepts discussed in this chapter form the conceptual and theoretical framework of analysis of the NEPAD vision and strategy. They have been placed within the specific historical context of Africa's underdevelopment since independence and the new political economic challenges facing Africa in the era of globalisation. As a consequence, they form the background to an analysis of the reasons for Africa's marginalisation in the twentieth century global political economic system, the realisation that Africa had to come up with a viable plan to address this problem and the preconditions for success, the nature and novelty of Africa's plan to address this issue and an evaluation provide the means of linking these generally broad and too comprehensive concepts and theories to the NEPAD vision and strategy.

CHAPTER 3

THE MARGINALISATION OF AFRICA

3.1 Introduction

Africa is located south of Europe over the Mediterranean Sea. It is east to the South Americans and Southwest of Asia. It neighbours the oil rich Middle East region. The continent is home to a mosaic of people, approximately 600 to 800 million, with its own unique ecological settings and historical experiences. Africans form the majority of the people, followed by the Arabs who are concentrated mostly in north Africa. Europeans and Asians form the minorities in Africa. Africans speak more than 800 languages and embrace many animist beliefs and religions such as Christianity and Islam (Chazan et al 1992: 5). Africa has not always been sidelined from the global political economy. In the 1960s, most African states had economies that outperformed those of Southeast Asian states. The Gross Domestic Product (GDP) per capita in Africa was at US \$439, while that of Southeast Asian states was only US \$259 (Van der Berg & Du Plessis 2000: 21-22).

It was from the 1970s and 1980s that most African states plunged into economic chaos because of political decay. In due course Africa gradually lost its potentially vital role in the global relations of political economy. As Africa's participation decreased to passive involvement, it became a norm for developed countries to ignore it. This continued although Africa in reality has been at the centre of global issues: environment, human security, and NGOs. The UN and NGOs have recently appealed to the global state actors and non-state actors for US \$3 billion to aid 21 states that are experiencing human insecurity crises. Seventeen out of twenty-one were African states (MacAskill 2003: 22).

The phenomenon of marginalisation has spread widely to even include the academic field. Most universities and colleges of the world do not even

mention Africa in their curricula, especially those in North America and Europe. A recent good example is on textbooks especially that of Baylis and Smith (2001). In their first edition, Africa was analysed, as were other regions in the chapter dealing with the issue of regionalisation. However, in the second edition Africa does not appear in the chapter about regionalisation. It is only the European Union and other regional organisations that have been comparatively analysed. Academics that have chosen to focus on contemporary Africa have a reputation of being very pessimistic about Africa. It has been a trend for academics such as Callaghy (1995), Kaplan (1994), and Lamb (1987), to conclude too easily that Africa is trapped in a vicious circle of poverty and political decay from which there is no reprieve.

It is against this scenario that this chapter desires to attain its objectives. Firstly, it aims to analyse the reasons why Africa is beset by underdevelopment and to explain why the continent is experiencing a serious debt crisis. Secondly, it wishes to determine to what extent these problems are a result of the international economic system and readjustment policies as well as poor economic policies. Lastly, it will analyse the interdependence between governance and state structure, economic growth, and development.

This background is necessary to place the nature of the development strategy proposed by the NEPAD plan in perspective. It is an old adage that a doctor cannot prescribe a remedy if he/she has not diagnosed the nature of the ailment. Similarly, in the context of Africa, one cannot assess the viability of the NEPAD strategy to address Africa's economic and political woes, if one has not first made an analysis of the nature of the problem that needs to be addressed.

The factors that directly or indirectly contributed to Africa's marginalisation in global relations include:

The reality of colonialism;

Problems associated with the independence era;

The implementation of Structural Adjustment Programmes; and

The influence that the Cold War had on the OAU.

These factors will be briefly discussed since they form the background for the discussion of why NEPAD was formed, and how NEPAD proposes to deal with these issues to overcome Africa's marginalisation and underdevelopment.

3.2 Colonialism

3.2.1 Defining the line of argument

Colonialism generally implies the occupation and controlling of a previously autonomous nation, society or region by another, usually through military conquest. Colonialism takes many forms that are determined by the degree and reasons for colonisation. Firstly, there is colonisation of the old type. It means that the ideology is the reason for colonising. The expansionist ideology of the ancient Roman Empire is a good example. Secondly, there is the colonisation of the new type, which is associated with the rise of the Industrial Revolution in Western Europe. Lastly, colonialism can be distinguished as imperialism, which implies an indirect colonisation. It is a kind of colonisation that has been dubbed as the "colonisation without a flag". The colonisers do not have to occupy a territory physically but they have influence that may control it. Colonialism has taken place on a global scale. The Ottoman Empire had colonies in the Middle East, while South America was under the control of the Iberian states. The ancient Roman Empire colonised Europe up to the now English territory. Another good example is Great Britain, which from 1700s to 1910 created an "empire on which the sun would never set" (Ferro 1997: 1-20).

The point that I wish to make is that colonialism contributed to NEPAD in an indirect manner. Colonialism destroyed the cultural, legal, political and economic systems that prevailed in precolonial times and had served as the stabilising social forces in African societies. African colonies were introduced to the alternative, dominant Western cultures, education and religion which replaced the traditional forms of indigenous African cultures. By the 1950s

nearly the entire continent had fallen under European capitalist hegemony and western-styled political rule.

As Richard Hull (1980) and many others after him had pointed out, the colonial structures introduced the dichotomy between traditionalism and modernism to African societies. After the colonial power structures were lifted in the independence era, the conflict between the powers of traditionalism and modernism increased. Because large segments of the African society in the newly independent states did not accept the imposed foreign culture, much of the Western political and economic culture was rejected.

The loss of political identity and the economic failure of Africa in the independence era were to a large, yet severally undefined degree, ascribable to the colonial legacy. NEPAD grew out of the search for a new African identity and new relevance for Africa in the global political economy of the 21st century, but whereas a group of African scholars interpreted this as a need to return to traditional African values and mores, the realities of globalisation prevailed. Africa had to come to terms with the realities of globalisation with regard to the capitalist market economy and the hegemony of democratic political systems or be sidelined out of the international political arena and forever be caught up in the vortex of underdevelopment.

There are three theories that may explain the occurrence and continuation of colonialism. However, here the focus should be primarily on the African continent. These theories are the realist, liberal, and the transformative theory. The realist theory borrows much of its foundation from the concept of *realpolitik*. The priority of the state is to prolong its survival; therefore, it focuses on its security. In protecting itself, the state occupies most, if not all, potential strategic geographical locations. These strategic locations usually are lucrative trade routes, economical territories, and buffer lands against rival states. The liberal theory concentrates on the ground of assimilation. A state will colonise another, and others, to spread this influence and, in the process, it uses force against the colonised people to change their political, economic and political lifestyles, to its own. In Africa, the Europeans saw it as a

necessity to change the Africans to follow European civilisation. According to the Europeans, the Africans were trapped in the darkness of existence and they had to be Christianised to salvage them from internal darkness. Europe therefore was the light. This process of assimilation has been known as "white man's burden". The transformative theory cites the need to acquire raw materials and cheap labour as an immediate motivation for colonising the potential territories like Africa. Raw materials were urgently required to supply the demand of the Industrial Revolution. In the process, the economy would grow as its territories expanded their colonies (Osaghae 1999: 136).

3.2.2 Colonialism in action

Colonialism that was conducted in Africa by Europeans had a greater impact on the economic and political systems of Africa than Europeans are willing to admit. From the 1830s to the 1880s North of Africa was already colonised by the British in the territory known as Egypt, Sudan and surroundings. The French had already established colonies on the land that is now Libya, Algeria and surrounding areas (Stavrianos, 1995: 529).

The formal colonisation of the rest of Africa by the Europeans towards the end of the 19th century began a period called the "scramble for Africa". The European states were in a competition with each and against one another to attain as many and huge territories as possible. They had to settle down to arrange their colonies accordingly. The Berlin conference of 1884-5 became a cornerstone in the history of African nationalism against colonialism. However, there were 14 states that attended. The USA was present but did not take part. The demarcation of Africa was part of the many objectives the conference aimed to achieve. The partition took place without the participation or consultation of the Africans. They were never invited or offered to send someone to represent their interests. The repercussion was that African colonies were created which would later prove to be difficult colonies to govern. One of the issues that would trouble Africans was that in the process of demarcation Europeans had ignored the ethnic, political and geographical differences of the various regions (Ferro, 1997: 73-78).

The Berlin conference established the British protectorates of Southern Africa (today's Lesotho, Swaziland, South Africa, and Botswana, Zimbabwe and Zambia); independent Congo states (later Belgian Congo). Belgium received what became Rwanda and Burundi. Germany only later came into the race but secured Togo (today's Cameroon) and Tanganyika (today's Tanzania). West and North West Africa were mostly French with the exception of Nigeria, Ghana and North Africa, Egypt and Libya. Spain had only what is now Equatorial Guinea, and Italy colonised Libya (briefly Ethiopia). The Portuguese had Mozambique and Angola (Katzenellenbogen, 1996: 21-31).

When the administration of the colonies began it became clear that "the European governments lacked the (potential) population to rule all the (colonised) people of the vast African continent directly" (Stravrianos, 1995: 539). The Europeans introduced forms of the political system into their colonies, most colonial states applied centralisation and the direct rule. The British however preferred policies of decentralisation and indirect rule. The French and Portuguese followed the assimilation policies. Germany's colonies were handed over to the states that had defeated Germany and occupied those colonies during World War I as a punishment for provoking World War I. Meanwhile, the Europeans saw it as necessary to prevent nationalism and prolong their existence by applying a policy of "divide and rule". The policy favoured one ethnic group at the expense of the others. This policy managed to restrict growing nationalism and it later exaggerated the hostility of among ethnic groups (Osaghae, 1999: 143).

The demarcation of borders by the Europeans did not take ethnic boundaries into account and led to confusion for some ethnic groups. The Somali people, for example, were divided into territories occupied respectively by the British, French and Italians. Many ethnic groups found themselves in similar situations. Europeans created an environment where they imposed their way of lifestyle on the colonised peoples (Stravrianos, 1995: 539). The history of colonisation has often pointed out the negative impact that the subjugation of the indigenous peoples had on the moral, legal and political systems of Africa.

Some Africans developed a self-hatred because European ways were seen as all-important only to reject the Western value system in the fervour of nationalism in the immediate aftermath of independence.

The economy of the colonies was structured to be dominated by a single product, making it a good market for the industrialising European states, to compete in global markets. The single-product economy of Africa served as a grocery store for Europeans. French colonies like the present Gambia produced groundnuts, Cotè d'Ivoire produced coconut, while British colonies such as Uganda produced cotton, Zambia copper, while Ghana and South Africa concentrating on gold. The leaders of the newly independent African states would not change this economic structure although the economic structure was fragile against global recession and other trends that could endanger the economy (Davidson, 1992:47-49).

Under the administration of the European states the economies of the colonies were not reflecting the theories of capitalism and democracy. Trade routes were developed only to increase production for the benefit of the European imperial masters. Moreover, Europeans colonialists never linked up the entire continent for commercial co-operation. The infrastructure of the colonised communities was partially developed by the Europeans for the social and economic development. Consequently, the colonised people saw themselves more often as victims than benefactors (Stravrianos, 1995: 537).

The period that led to World War I and WW II and the wars themselves had a much greater influence on Africa's decolonisation and independence. These events awakened nationalism in Africa, which would give Africans the desire to be independent. During WW II the Allied forces strove for a free and democratic world.

3.3 The independence era

The UN had always seen the 1960s as the independence era. However, independence in all African colonies had been an agreement that was between a former colonial state and the elite of the colonies. The way in which the African colonies gained independence and the conditions that the former colonisers attached to the newly independent states contributed to the way in which the independent African states would be governed (Osaghae, 1999: 186-7). Thus for example, the British grant of independence to Egypt came with a list of conditions such as: the presence of the British army to defend its foreign interest, and the acceptance of the British command to the 'Anglo-Egyptian' condominium of Sudan. However, the British, unlike other former colonial states, were much more successful in granting their former colonies independence. This happened although the British experienced resistance problems in Kenya, Zimbabwe and Zambia from reactionary white minorities (Davidson, 1992: 137; 147).

Overall, the French did not grant independence in the same manner as the British did. General de Gaulle, the French President, compelled the French colonies to 'eat half the cake or leave it'. France would grant independence on these conditions: *

- France would have an influence in the army of its former colonies by providing, for example military training and decided on other issues;
- France would be granted the right to defend its former colonies;
- And financial aid and developmental aid would be provided.

The alternative was full independence with nothing beneficiary or advantageous from France (Davidson, 1992: 121-136).

The rest of the colonies had to experience a bitter pre-independence period. Spain, Belgium and Portugal were too dependent on their colonies to grant them independence. The colonised people had to fight long colonial wars to persuade their colonial rulers of their need to be independent. This would have an influence in the economic and political systems of the future

independence of most African states. When independence was granted the former colonisers simply left without any arrangement or preparation to ensure a smooth transfer of power. The political turmoil experienced by Mozambique, Angola, Rwanda, Burundi, and Zaire (Democratic Republic of Congo) and other former colonies of Spain (Equatorial Guinea), Portugal (Angola, Mozambique and Guinea-Bissau), and Belgium, Rwanda, Burundi, and Zaire (Democratic Republic of Congo) reflect the way they received independence (Davidson, 1992: 161-167).

The leaders of the newly independent African states soon realised that Africa was not left with what they had expected. They had become states that were caught up in dysfunctional political and economic systems, and there was little or no effort to transform them. There are numerous reasons for this grim picture. The Europeans had been using the "policy of divide and rule" to secure their own safety and prevent nationalism from growing. However, newly independent African leaders continued with the policy of favouring one or two ethnic groups and ignoring the rest, especially the minorities. Ethnic arithmetic formulae were the unofficial policy of racism favouring one ethnic group at the expense of others. Unlike in South Africa (1948-1990) where the Afrikaner dominated government made Apartheid an official policy, Africa practised it unofficially. Fulani-Muslims and northern Hausa ethnic groups have since independence from Britain dominated the Nigerian government (Osaghae, 1999: 190-191). President Moi of Kenya has since 1979 promoted his ethnic group, the Kalenjin to dominate the state. In Ghana the Ewes dominates the state official positions in government although the Ewes constitute less than 10% of the total population (Avittey, 1999: 94, 160-172).

There are over 750 African and European languages in Africa. Equatorial Guinea is the only African state whose official language is Spanish. Cameroon uses two European languages as official languages namely: English and French and is divided along these language lines. Further north Djibouti has a similar problem. It is a French-speaking state, yet surrounded by non-French speaking countries. The nearest French speaking state is 1126 kilometres away. Africans in the past thus also often isolated themselves

within their ethnic and self-imposed linguistic boundaries. This happened throughout Africa and has made it difficult for Africa to co-operate let alone establish efficient and effective regional organisations (Lamb, 1987: 9-19).

The boundaries that were demarcated by the Europeans at the 1884/5 Berlin conference have partially been causing most African states numerous ethnic rivalries, while other ethnic groups have been divided across ethnic lines into three or four states. The *Baganda* of Uganda, for example, have desired separate statehood since the 1960s. In Nigeria, the *Igbo* were nearly annihilated for demanding an independent state from Nigeria and the same applied to the *Ogoni* ethnic group. Another good example of how deep the Berlin conference has troubled Africa is offered by the Somali people who were divided into French (Djibouti) British (Somalia) and Italian (Ethiopia) colonies (Davidson, 1992: 203-211).

Africa continues to have a problem with unity. Minority ethnic groups have continuously not pledged loyalty to the states that governs them. They felt excluded from the political system because of the prominence of governance through dictatorships. As a consequence, they began to undermine and disregard the authority and question the legitimacy of that specific government. It has been a common sight in Africa to experience many civil wars, military coup d'états, and authoritarian states. The political conflict that has recently ravaged the Great Lakes sub-region originates illustrates the political history of Africa. The undemocratic state of Zaire under the leadership of General Joseph Desire Mobuthu, alias President Mobutu Sese Seko' reign over 30 years in Zaire (Democratic Republic of Congo) was a recipe for civil war. The Banyamulenge (Tutsi) experienced one of the worst forms of oppression when their Zairian citizenship was revoked in 1981. Later they were expelled from a territory they had occupied for two centuries. However, in 1996, Laurent Kabila of *Luba* ethnic group joined forces with the *Tutsi* in an Alliance of Democratic Forces for the Liberation of Congo-Zaire (ADFL). Kabila was chosen as a spoke person but later declare himself as leader of ADFL. Mobutu's regime was overthrown in 1997 by ADFL. Kabila quickly turned into a dictator by ensuring that official state positions were

predominantly occupied by the *Banyamuleng*e although they constitute one million of the 43 million total population of DRC. This caused resentment among the DRC's majority ethnic groups namely the *Babembe*, *Bahunde* and *Baluba* (Nathan, 2001: 6; Ayittey, 1999: 64-73).

The Europeans could have integrated the different ethnic groups rather than use a policy of divide and conquer. It could have painted a different political environment in the future of independent Africa. However, by December 1991 Africa had suffered 80 violent coup d'états, while there were 12 forced resignations or dismissals. Furthermore, in the 1980s Africa had 20 one-party states and 21 military dictatorships (Smith & Nöthling, 1993: 424). By 2001 about 18 African states were either directly or indirectly involved in wars around Africa; as many as 12 others African states were in unstable political systems that threatened to break and explode into civil wars. Colonialism can at least partially be held responsible for Africa's woes in the first three decades of independence. However, blaming European colonialism entirely for Africa's political decay is shifting responsibility away from African leaders and their government officials (Mills, 2002: 93).

Africa's economies took two directions in the aftermath of independence: the socialist or the capitalist path. In reaction to the capitalist system followed by their former imperial rulers, many African leaders settled for some kind of socialist or semi-socialist economic policy. In Angola, Mozambique, Guinea-Bissau and Ethiopia the Marxist-Leninist form of socialism was favoured, while states such as Ghana, Zambia and Tanzania introduced neo-Marxist policies, i.e. taking only what suited them from the various forms of socialism. Ghana introduced state farms to an area of 400 000 hectares with just 1/10 of arable land cultivated. Furthermore, maintenance was hardly done with the result that these state farms collapsed. During 1963-1969, the Ghana State Farms Corporation lost US \$19.8 million. Mozambique tried the same a decade later and also failed. Socialist states in Africa also attempted collectivised and communal agriculture. These farms never lived up to expectations nor became self-sufficient. In Tanzania 90% of peasant farmers were settled into villages. However, only 5% of production output was made.

However, the same story of failing policies applied to African states that took the capitalist approach for economic development. Those African states that took a capitalist approach often did not introduce neoliberal economic policies (privatisation and free-market system). In addition, economic liberalisation requires political liberty (democracy and good governance) to succeed. A society has to have informed decisions and the right to disagree for the economy to expand (Chazan, et al. 1992: 261-262).

African governments also found themselves in an environment in which local entrepreneurs were largely absent. This limited Africa's pace for economic growth. In the long term, entrepreneurship was left in the hands of MNCs whose origins were mostly from Western Europe and the USA. Furthermore, when most African states attempted to manufacture products that were utilised by their national economies, through import substitution industry (ISI) the results were negative. Nigeria attempted six vehicle assembly plants. In the long run it became dependent on imported products that had to be bought in foreign currencies. Consequently, the costs of manufacturing a vehicle in Nigeria were higher than if that same vehicle had been imported. Overall, Sub-Saharan Africa recorded 7% growth in manufacturing from the 1963-1973. However, it quickly shrunk to 5.7% from 1973-1981. Overall, Africa's share in manufacturing exports of all developing states fell from 4.6% to 1.5% from 1965-1986 (Chazan, et al. 1992: 255-256).

The economies of the majority of the newly independent African states, remained dependent on their former colonial states after independence. The economic legacy was much more difficult to overcome than the political legacy, because transforming it to favour Africa required an economic revolution. Most of Africa's economies in the 1960s were not industrialised and not oriented towards differentiated export and import, but only exporting a few products that the former colonial states required. However, the European states were already fully industrialised by 1900.

Two reasons explain why Africa could not compete effectively in the global economy. Firstly, at the time of independence most of the newly independent African states were still largely caught up in an agrarian economy. The economies of the individual states were small and oriented mainly towards subsistence agriculture. Seventy per cent of African populations lived on the land and only a small proportion formed a market-oriented sector. Efforts to enter foreign markets were unsuccessful because of the lack of expertise in cultivating and in increasing their production (Smith & Nöthling, 1993: 417; Davidson, 1992: 223). It is significant that Africa has been the sole continent with disastrous agricultural production during the 1970s and the 1980s.

Secondly, by the time Africa became independent the economic structure in global markets had been set against Africa and other developing states. The developed (industrialised) states had set up fixed imports and export prices that favoured industrialised states. The GATT had been established to focus on trade and tariffs reduction among developed states. Africa consequently experienced a trend of its export prices falling and its import prices increasing (Davidson, 1992: 224) that can be explained by the fact that Africa had single-crop economy and command driven policies. There were peanuts in Senegal, coffee and tea in Kenya, tobaccos in Zimbabwe, etc. Kenya was at the crest of the wave in 1977 when global markets escalated the price of coffee, earning US \$482 million. However, two years later coffee prices on the global markets slumped back to its previous levels and Kenya earned just US \$465 million. Kenya was indebted because it had overspent during the previous two years (Lamb 1987: 138).

Dependency theorists explain this point somewhat differently, but their argument is equally valid. According to them, African states could not just break away from the economic dependence that the relationship with their former colonial rulers had placed them in, since their position in the existing economic system was maintained by pre-structured relations of power. Whilst almost all of the former colonies won formal political independence in the post-colonial period, unequal trade relations remained in the sense that

former colonies continued to supply raw materials to the former colonial powers to provide the means to buy manufactured goods.

Consequently, Africa still has to rely largely on the export of cheaper raw materials, while it purchases more expensive manufactured goods. In the long run most African states became net exporters of agriculture produce, while being net importers of technology (Chazan, et al, 1992: 258-259). In effect this meant that capital was continually being transferred from the underdeveloped states to the developed countries, which led to chronic balance of payments problems for less developed countries. African governments therefore had to loan money perpetually in order to continue running their economies and their states. (Balaam & Veseth, 2001: 329-332).

"Foreign aid" was never designed to mean what it in reality implies. The objective of 'foreign aid' was that colonial powers should provide some assistance to those colonies that were lacking in economic performance or growth. This implied that businesses and private persons, operating in the colonies, would get some assistance in return for improving and ensuring that more profits were continuously heading for the colony-owning state(s) (Davidson, 1992: 58). After independence, the need for foreign loans to provide launching capital for development increased.

The diagram below (figure 3.1) reveals why 'foreign aid' became a necessity for most African states. There was no other means of competing within the global economy through one or two primary agricultural products and mineral resources, while most developed states were competing with diversified economies.

The diagram shows what products of Africa could purchase between 1975 and 1980 (adapted from Davidson, 1992: 250).

Figure 3.1

	BARREL OF OIL	CAPITAL US \$
Copper		
1 ton could buy		
1975	115	17.800
1980	58	9.500
Cocoa (1 ton bu	uys)	
1975	148	23.400
1980	63	10.200
Coffee (1 ton bu	ıys)	
1975	148	22.800
1980	82	13.300

The diagram illustrates the grim economic realities that faced African governments. Their economies were losing more capital than they could earn.. They believed that their choice would be better when they requested foreign aid, mainly in the form of loans. The loans had high interest rates even though they were long-term loans. As a result, indebtedness to foreign lenders soared alarmingly. By 1985, Africa's total foreign debt exceeded the value of all its exports. In 1987, they had tripled against the value of all exports. With a few exceptions, African states did not privatise the assets which became a huge liability to governments that had to pay off their skyrocketing debts (Davidson, 1992: 246-47).

It should, however, be acknowledged that colonialism cannot be solely held accountable for Africa's continuous underdevelopment and serious debt crises. A number of former colonial states, notably the East Asian "tigers" (Taiwan, South Korea, Hong Kong, and Singapore), together with some Latin American countries, like Brazil and Mexico, have grown at a dramatic rate over the last fifteen years, despite their original colonial status. Furthermore, contrary to popular belief, Africa had been neither the last nor the first to be artificially partitioned. Its problems of sub-regional conflict among ethnic groups would possibly have happened anyway. The Europeans have had more complicated problems than Africa. The boundaries of Europe had changed two to four times in less than a century. After World War I the

Austria-Hungary Empire disappeared. Post-World War II the boundaries of Europe were redrawn. Most recently, the state of Yugoslavia disappeared with its boundaries to Croatia, Montenegro and Serbia, Bosnia-Herzegovina. Furthermore, modern Europe still faces the issues of the Catalans ethnic group. They are neither French nor Spanish yet they are divided into French and Spanish (Asiwayu, 1996: 254-261).

If colonialism never occurred in Africa it might still have been isolated and marginalised from global markets and influential political spheres. It was the Africans who had the decision-making power over the authoritative allocation of values and resources after the end of colonialism. As Lamb (1987: 140) has pointed out, they hardly attempted to transform their economies to be diversified in order to compete effectively within the international trade market.

3.4 Organisation of African Unity (OAU)

Globalisation had led to a series of regional organisations being established especially in the 1960s. Regionalism was gradually being seen as a way of registering the collective will of special groupings of states on international forums and of being able to influence international relations more effectively. The formation of the OAU in 1963 in Addis Ababa, was encouraged by organisations like the Organisation of American States (OAS) in 1948 and the Europeans Economic Community (EEC) during the late 1950s. It was also formed because the method of collective management of issues by states at regional level is better addressed collectively than for states trying to address on an individual basis the issues that are affecting the whole region (Butler 1998: 410-418).

The OAU was faced with the issue of whether to be an economic or political union or both. Ghanaian President, Kwame Nkrumah, highlighted the need for African union and proposed the formation of an organisation that was structurally both economic and political. He further envisaged the OAU to be empowered with institution such as the African Central Bank, African

Parliament, a common market for Africa, African common foreign policy, and an African constitution. Unfortunately Nkrumah's ideas were viewed as utopian and was never implemented. African states did not consider surrendering their sovereignty for the benefit of African unity. Nigerian Prime Minister, Sir Abubukar Tafawa Balewa, emphasised that a strongly centralised African Union (as Nkrumah had envisaged) would be impossible because too many divisions existed within and among the African states. Moreover, he argued, African unity should be incrementally implemented. Balewa's proposals received support from almost all the African leaders (Červenka 1977: 6-10).

In 1963, thirty-one African heads of the States of Africa signed the Charter of the OAU and pledged their support for upholding human rights, committed themselves to defend independence, to maintain existing boundaries of African states, to rid Africa of colonialism, and affirmed the principle of non-interference in the internal affairs of member states (Davidson 1992: 259).

The OAU made no provision for an institution like the UN Security Council to enforce its policies. It soon transpired that the OAU could not deal effectively with international issues on behalf of its member states. It did not have a global vision for addressing its challenges, which caused it to be bombarded with obstacles that undermined its fundamental principles, purposes and obligations. The principle of non-interference in the internal affairs of member states in practice, proved to be contradictory to the upholding of human rights principles. The OAU Charter had lists of grand duties and obligations that encouraged aspects such as democracy, co-operation and unity, and the rejection of goverments that had gained power by means of *coup d'états*. However, the OAU had no strict criteria for the implementation of the Charter (Červenka, 1977: 12-19). The idea for a loosely structured form of federation, lack of a central authority, and non-interference in domestic member state affairs, led to the OAU being more of a talk show than what it was originally meant to be (Southall 1999: 159).

The OAU Charter was undermined by the Cold War in Africa. The end of the Second World War led to a new era in world politics, dominated by the bipolar Cold War rivalry between the United States and the Soviet Union The two superpowers that emerged out of the Second World War represented two different ideologies and value systems, viz. democracy and capitalism on the one hand, and political centralisation and economic socialism on the other. It was inevitable that the battle for the hegemony of either communism and socialism, or democracy and capitalism in the global political economic system, would also spill over into Africa.

When the USA saw that the USSR was beginning to have a greater influence in the newly independent Africa states, it decided to intervene, and the scene for the battle whether Africa would be communist and socialist, or democratic and capitalist, was set (Southall 1999: 155). The millions of poor people in Africa were easily influenced by Marxist ideologies that promised a better life style. The USSR selected African states that would respond positively to communism and offered aid to them which rendered them less technical and financial assistance than the USA and allies, but supplied them with arms on a large scale, especially for the liberation movement (Lamb, 1987: 189). There were many conflicts that were influenced by Cold War considerations, among others the military *coup d'état* in Zaire of November 1965, the Angola civil war 1975-1990, and the Ethiopia-Somalia conflict in the 1980s (Červenka 1977: 78-95).

During the Cold War period, the USA and USSR appeared to be more influential then the OAU. In the international political environment that was dominated by the Cold War it became easy for member states to ignore the OAU Charter as African states sided with either the USA or USSR for the benefits that they could garner from their respective alliances, rather than being loyal to the principles of the OAU. Once again Africa had become part of an asymmetrical relationship in global affairs (El-Ayaouty 1994: 179).

Another issue that rendered the OAU obsolete has been the ineffectiveness of the Non-Alignment Movement. It was formed in Indonesia, in 1955 as a means of distancing newly independent states from the effects of the Cold War. In reality, Most African states were truly loyal and aligned to the West (USA and its allies) and the East (USSR) (Davidson 1992: 257). Tanzania, Zambia, Mozambique, Angola, Ghana, Guinea-Bissau, Sudan, Egypt were USSR backed governments. Later Somalia, Sudan, Egypt and Guinea-Bissau expelled the USSR, and the West filled the vacuum. In the long run, most African states sided with the USA and their former colonials states. Prominent among these were Zaire (Democratic Republic of Congo), Botswana, Ivory Coast and Senegal (Lamb 1987: 186-204).

The OAU decision to maintain existing boundaries was a grand political stand, although, this implied the acceptance of the outcome of the Berlin conference of 1884/5. Ottawa (1999:1-2) points out that most boundaries in Africa require attention that could lead to the possible re-mapping and demarcation of the whole African continent. In reality, however, this is politically impossible because Africa does not have a peaceful history and resources to form new states along ethnic lines. Re-mapping Africa would fuel other conflicts that are similar to the Balkan states in the early 1990s. What should have been done is what has been proposed by the NEPAD strategic plan (2001: Internet, par. 93-94) because it is feasible. Open regionalisation in sub-regions could solve the border disputes as would free trade; open borders and interdependence among member states of that sub-region. This could restrain and avoid future political and economic conflicts.

Colonialism might have divided Africa into dysfunctional states and created illogical boundaries that fuelled future ethnic conflict. However, newly independent African states did not address the issue of ethnic minorities nor realise the need for Africa to pool their economies to compete in the global market and ensure Africa's political stability by enforcing and maintaining democratic good governance. The reality was that Africa could not attain regional integration without having to confront directly the issue of boundaries, ethnic groups that are excluded from the political system, lack of political stability and appalling economic conditions. Constructive regional integration

could have pooled the economies of Africa and contributed to pulling Africa out of its appalling economic conditions.

The regional organisation of the (OAU) that had been Africa's hope in a globalised world became a mere meeting of African heads of states. The OAU had no legal court of justice, no economic market, and no common foreign policy and very little support from its citizens. Most oppressed people of Africa saw the OAU as the extension of authoritarian governments. Most African states, therefore, could not be interdependent and co-operate in a true sense of the word. It is, however an achievement that the OAU did not dissolve despite its lack of credibility and legitimacy.

The importance of the OAU within the context of NEPAD, is that it was the carrier of the supranational pan-African ideal that has for long been the idealistic aspiration of the people of Africa. Despite many Africans' disillusion with the OAU, the aspiration for stronger unity, solidarity, and cohesion in a larger community of peoples, transcending cultural, ideological, ethnic and national differences remained.

NEPAD is a programme and a strategy for sustainable development of the African continent, but its success depends on good governance, stakeholder participation, and human rights, in order to restore people their dignity and self-confidence. It needs an institution to foster, uphold, and implement these ideals. Despite its shortcomings, the OAU provided the organisation for the launching of the programme. The Constitutive Act of the African Union that emerged from the OAU's Sirte Declaration of 9 September 1999 was an adaptation of the organisational structure of the OAU to change it from a narrowly focused political institution to one that provided a truly regional platform for the operationalisation of the economic strategy of self-reliance, the democratisation of the development process and sustainable political and economic development (Onimode, et al. 2004: 250-251).

3.5 Structural Adjustment Programmes (SAPs)

By the late 1970s almost every African state was heavily in debt and unable to repay their debtors. According to Todaro (2000: 561), out of 41 of the severely indebted low income countries (SILICs) of the world, 33 are in Africa. Sub-Saharan Africa's total debt in 2000 stood at \$290 billion — more than 10% higher that its collective GNP. Debt service payments approached \$32 billion annually, which was almost four times Africa's annual expenditure on health and education combined. This represents a massive drain on the region's already depleted development finance.

The 1970s are generally viewed as the era when global recession set in and developing countries began to lose their grip on world markets. It was events like the oil boycott by the Organisation of Exporting Countries (OPEC), that greatly contributed to the depression of the economies of African states. OPEC had embarked on an oil boycott in protest against the Israeli army action against Arab states and the ensuing silence of the global community. By 1974 African economies owed a total debt of US \$15 billion (Mills 2002: 205).

However, as Hoogvelt (2001:177) points out, the 1970s were also the period when Third World economic nationalism reached its peak. In the absence of a local entrepreneurial business class, state-led development in the less developed countries (LDCs) produced an excess of government interventions in the economies of their countries. In order to retain legitimacy under the failure to gain larger access to the world markets and the collapse of domestic economies, African leaders introduced dual exchange rates, the formation of tariff walls and other import controls, domestic subsidies on staple foods and petrol, as well as the provision of social and welfare services such as education and health — all way beyond the internal financial capacity of the state. In so doing, African states not only built up a massive debt with the World Bank, but also propped up an unwieldy bureaucracy, fed a kleptocratic elite and reinforced corruption among state officials. The West acting from a

Cold War strategic perspective to keep Africa in the capitalist fold, often condoned this.

As a remedy the World Bank, and IMF introduced structural adjustment programmes (SAPs) from the late 1970s. The IMF became responsible for monitoring and stabilising the international financial system through the short-term financing of balance of payments deficits. The World Bank's complementary role involves financing the reconstruction and development of member nations, primarily through the construction of national infrastructures (Todaro, 2000: 570-573).

Structural Adjustment Programmes demand from the debtor nations

- economic liberalisation strategies (free market economic reforms);
- promotion of sensible investments and policies to alleviate poverty;
- the curbing of state spending on armaments and other nondevelopmental aspects;
- effective governance and the combating of corruption and enrichment by state officials;
- implementation of measures to restore or sustain order and stability (Thomas 1999: 10).

When SAPs were imposed on Africa, Senegal was among the first targets in 1979. Its economy like most African states was staggering under debt. The small state owed about US \$1.47 billion which constituted 49% of the GDP of its economy (Van de Walle 2001: 1-3). The IMF and the World Bank lent money to debtor states by creating huge development schemes that the former two would market to developed states and business elites. The business elites and developed states would in turn invest with the World Bank who would provide the debtor African states with loans. However, in order to get the international markets interested in investing in those developmental schemes, the debtors would be compelled to implement certain conditions set by the IMF and World Bank, if they desired to procure the loans. These reforms are usually called Structural Adjustment Programmes (SAPs) (Thomas 1999: 9).

The advantage of SAPs was that, without them, it would have been much more difficult for most African states to access loans from commercial banks that already viewed them as credit risks. However, the conditions that SAPs enforced upon Africa ignored the complexity and uniqueness of the African state. These policies often had a negative political impact on governments of LCD's because the measures proposed by the IMF often meant greater hardship for the poorest households in debtor countries due to cuts in government services, rising unemployment and the elimination of food subsidies. Finally, the number of civil servants had to be drastically reduced, along with state expenditure on the army (Harvey 1996: 130). Critics have rightly pointed out that the formula did more to ensure that African countries focus on the repayment of debt than on rebuilding basic economic structures. The restructuring of African economies according to SAPs stipulations ignored the economic growth of African states and did not encourage the manufacturing of products in local demand (Chazan et al 1992: 258).

There are basically two approaches with regard to the merit of SAPs on the African continent. The first is the Afro-pessimist approach that sees SAPs, just as it sees globalisation, as negative phenomena that should be eschewed.

Most students of the impact of structural adjustment emphasise the harmful social impact of these policies; others are merely pessimistic about Africa's ability and will to address these issues adequately.

Opponents of structural adjustment argue, for example, that these programs have had several dire consequences, including

- undermining state capacity and legitimacy;
- reinforcing structures of authoritarianism; weakening the "social contract between African governments and societies;
- eroding the social and welfare gains of the postcolonial years;
- complicating the economic problems of the continent without resolving them;

 heightening uneven development and associated regional and ethnic divisions; exacerbating dislocation at the level of communities and households. (Joseph, 1999: 65)

The mere pessimists argue that since the independence era the majority of African states have been breeding corruption from the executive level of government to the law enforcement officers. African leaders realised that they would be deposed at any time as a result of their undemocratic practices. In an attempt to prolong their stay in power, they resorted to corruption. Nepotism and ethnicism affiliation was rife. African leaders would pass laws that compelled them and their relatives to be immune from prosecution and outlaw any criticism of the government or the leader of the state. In most situations, the entire cabinet and their next of kin would be immune from prosecution. If a journalist dared to publish criticism about the state especially about the executive level of government, he/she would be asking for a death warrant (Ayittey, 1999: 94; NationMaster, 2004(b): Internet).

Some African leaders further personalised their governments and state assets as if the whole government was their own private property and the citizens their personal servants. In the West African state of Liberia during the 1980s, President Tolbert's family tree could be drawn all over the government: his relatives and immediate family filled cabinet positions from ambassadors to cabinet, regardless whether they were suitably qualified or not (Lamb, 1987: 9-10). There was little or no difference between state owned and private owned properties. The government would act as if everything belonged to the state. Furthermore, African leaders would act, as though they were immortal and above the law. (Van de Walle, 2001: 116-117).

In Zaire (presently the Democratic Republic of Congo) it was a common sight to smuggle refined copper. In some years, 45% of the total refined copper production would be smuggled. In, some cases, the government officials would be the smugglers. In Central East Africa in Uganda 40% of the total exported coffee produce would have been smuggled. In environments like

these, it became totally unthinkable to prosecute fellow members of an ethnic group and government officials (Van de Walle, 2001: 115-122).

According to the Afro-pessimists it became clear even before the SAPs policies were implemented that most of these policies would never be realised. If they were to become reality it would mean the entire government would be under scrutiny for corruption. Tax revenue collection was equally difficult. In West African states like Sierra Leone, the taxing of minerals like alluvial diamonds was virtually impossible. They could be produced at a small scale and smuggled overnight. Although states like Ghana had successes with tax revenue collection it was received with great bitterness from the public. As a consequence there were attempts to topple the government. In just over three years there were seven attempted military coup d'états (Harvey 1996: 130-132).

Another issue that had little or no success was that of subsidies that SAPs required to be either scrapped or reduced. Africa heavily subsidised agricultural products and other services. The actual price in the free market differed greatly from the subsidised price. If Africa were to implement SAPs it would lead to nation-wide riots and eventually famine. The public had been conditioned to such low prices that they could not afford price increases in a state of appalling economic conditions. In 1993, the Nigerian government announced that it would cut its fuel subsidy. The subsidy was approximately N60 billion per year. The public realised that they could not afford fuel without government subsidy, and nation-wide riots broke out until the government was forced to change its mind (Harvey 1996: 132).

These observations discussed above, suggest the need for what may be called a "realist" approach in analysing the governance of many African states in response to economic liberalisation and SAPs. Such a project differs from the uncompromising approaches usually taken by advocates and opponents of structural adjustment.

Much of the devastation and dislocation described by these scholars cannot be denied, although it is not readily apparent how much of the decay should be attributed to structural adjustment and how much to corruption and Africa's longer-term economic contraction.

Moreover, it is also necessary to relate such criticisms to certain observable trends. The IMF, which had tried to help 29 African countries through structural adjustment programmes back onto the road of economic recovery, was completely exasperated with the way in which some of the African leaders had behaved. Many had shown themselves to be much more interested in staying in power than in solving their country's economic problems.

To the extent that foreign donor countries and the World Bank remained involved in Africa during the early 1990s in the post-Cold War phase, the emphasis swung instead to demands that there be better government, less waste and corruption, more respect for human rights, and a return to a market economy. The World Bank could now apply "policy-based lending" more vigorously, teaming up with the International Monetary Fund and powerful foreign donor countries to demand economic liberalisation programs as the 'ransom' for debt rescheduling and further development aid. In applying structural adjustment lending, the World Bank and the International Monetary Fund, not only encouraged developing countries to pursue market-oriented strategies, but also demanded political liberalisation to promote a climate conducive to free trade and commerce (Hoogyelt, 183-186).

Under the IMF's structural adjustment policies the average growth in sub-Saharan Africa has increased from about 1 percent in 1992 to about 5% in 1997 a rate not witnessed since the 1970s. Uganda with an 8 percent annual growth since 1992, now ranks among the fastest-growing economies in the world, (Joseph, 1999: 66).

The positive performance in recent years have become more pronounced as more and more countries have adopted comprehensive policies of adjustment and reform, supported by the IMF through policy advice, technical assistance and concessional loans. At present, 23 sub-Saharan countries are implementing such programmes. Commitments under these arrangements total US\$3,6 billion.

Joseph (1999: 67) argues cogently that structural adjustment afforded opportunities to African countries to become active agents in their own transformation by developing in the only way possible in the modern world, that is, through establishing profitable connections with the global economy – getting prices right, liberalising the foreign exchange and trade systems, reigning in fiscal deficits, tightening monetary policies, and beginning the difficult process of fundamental structural reform.

Joseph's conclusion is that the World Bank and the IMF's structural adjustment programmes are policy-based lending schemes that actually contribute to Africa's economic and political restitution by forcing African states to democratise and adopt market-driven economic policies which enable African countries to become more competitive in world markets.

Political success is often congruent with economic success. Economic growth enables regimes to introduce social and economic development, which in turn helps to bring political stability and hence greater legitimacy to the regime. Joseph (1999: 65) concludes his argument as follows:

I therefore differ in my approach to these issues from some of my colleagues, as I have come to believe that the bitter medicine of structural adjustment may have goaded several African governments to seek ways in which the state, market, and society could be reconfigured to transform their nations into new subjects, rather than perpetual dependent objects, in the world system.

The NEPAD plan (2001: Internet, par 24), acknowledges that SAPs were a possible solution to Africa's economic appalling conditions. However, little was put into the effect of its policies, primarily because they gave scant attention to

the provision of social service. It was no wonder that only a few African state manage to show success from SAPs policies. Africa could not compromise its state-controlled economies for a number of factors.

Africa's marginalisation was largely caused by the fact that most African states did not implement and practice good governance and democracy within their respective governments. Instead, most African states implemented bad governance and dictatorship. This was the opposite global political economic trend. Consequently, the economy of most African states plunged into economic deficiencies and that caused political decay.

One of the most important factors why NEPAD has a greater chance of success than SAPs to bring about the desired economic revival of African states is the principal of ownership. The conditions of SAPs were imposed on Africa by outside agents and forces, thereby eroding the authority and legitimacy of the governments concerned. NEPAD on the other hand represents a process in which African leaders not only voluntarily subject themselves to scrutiny, but drive the process of political and economic reform.

The NEPAD plan (2001: Internet, par. 71 and 186) proposes the implementation of good governance and democracy as well as greater political integration of African states as prerequisites for peace, security and strengthened legitimacy. A key factor in this regard for the success of the NEPAD plan is the concept of symmetrical partnerships between the African LDCs with the developed states, NGOs and IGOs. SAPs still functioned within the framework of dependency — of predominance and subordinate structures - whereas NEPAD with its principle of partnerships function on the basis of contractual relationships, equity and equality. This gives much more credibility to the NEPAD development reform plans than any previous attempt in this regard. It is against this background that the next chapter intend to explore the revival of good governance and democracy in Africa within the context of the NEPAD strategic plan. This should serve as the possible approach for the establishment of a stable and sustainable political system in the respective African states.

Conclusion

Colonialism conducted by the Europeans in Africa had a greater impact on African economic and political systems than Europeans are willing to admit. Most African economies were designed to be premised on wealth-transfer in favour of the Europeans. Foreign aid, which later became unpayable debts, and single-product-structured economies contributed negatively and limited most of Africa's economic potential growth. In addition, the global trade had already been structured by developed states in the form of GATT to favour mostly developed states because of their diversified economies. The political system was structured to keep the majority of Africans divided.

The artificial boundaries played a contributing role in igniting ethnic conflict and eventually halted regional and sub-regional unification. However, most of the newly independent African states did not transform themselves into functional states. Instead, the leaders retained undemocratic, authoritarian forms of government. Moreover, the OAU did not face up to the reality of globalisation and chose to remain a loosely structured organisation with no security council that could enforce its policies and principles. By placing too much store on the principle of non-interference on the internal affairs of states, the OAU ignored the essence of regionalism in an era of competitive global economy and political unity. Currently in the AU Constitutive Act the principle of non-interference in the domestic affairs of Member states are seen as irrelevant and contradictory to the goals of globalisation.

Factors like global recession and overspending of its budget plunged most of the economies of the African states into staggering debt that they could not overcome without having to borrow from intergovernmental organisation like the World Bank. However, they borrowed at such a large scale that, in the long run, the loans from the World Bank, together with those of former colonial state 'foreign aid', became too great to pay off. SAPs could not successfully restructure the already appalling economic conditions in Africa. The conditions that they subjected the Africa state to were unsuitable for Africa. They compromised the security and welfare of most of the African states. The IMF

and the World Bank appeared to be concentrating more on appeasing the creditors, than on addressing the problems of the Africans states.

It is necessary, however, to acknowledge that colonialism cannot primarily be held accountable for Africa's underdevelopment, or its serious debt crisis. Colonialism divided Africa, into dysfunctional states and created illogical boundaries that contributed to ethnic conflict, but Africa was neither the first nor the last continent to be occupied. Furthermore, most of the newly independent African states did not take the responsibility of transforming their economies from single-product to multi-product economies that could compete effectively in the global market. They took the path of undemocratic policies that promoted state-controlled, command driven economic policies. Instead of trying to be interdependent on each other, most African states continued to ask and receive "foreign aid" from former colonial states and loans from IGOs, which in the long term turned to be unpayable loans. Africa allowed authoritarian states to flourish and most leaders to personalise state assets and state structures.

Africa could not achieve regional integration that serves as the entrance to global economy and active political participation, without directly confronting the issue of African state boundaries, and that of ethnic groups that are excluded from the political system. The continent should move towards a path of practising democracy, good governance, and economic free-market policies. Its present situation of underdevelopment, debt crises, civil wars, unaccountable government and corrupt government officials, have been caused by the absence of democracy and good governance.

The critical structural conditions in Africa have been and continue to be the cornerstone of Africa's underdevelopment. Firstly, it is the presence of authoritarian rule that promotes long-term instability and lack of political development. Secondly, it is caused by the marginalisation of minority ethnic groups, and economic inequality. Lastly, the African state during the last four decades since independence lacked the institutional capacity to manage and promote peaceful political and economic systems.

CHAPTER 4

THE PARADIGM SHIFT: THE REVITALISATION OF POLITICAL GOVERNANCE IN AFRICA

4.1 Introduction

African leaders have recognised that a paradigm shift is necessary with regard to political and economic development by proclaiming their new political and economic will for Africa's revival. The UN Millennium declaration in September 2000 emphasised the world community's readiness to support the efforts of Africa to revive itself out of its economic and political decay (NEPAD plan, 2001: Internet par. 46-47).

Chapter three of this research proved that the previous four decades in Africa witnessed the worst political decay in Africa and led to the marginalisation of Africa in the international system, because of many African leaders' choice of bad governance practices and dictatorship as forms of political governance in their respective states and ignored the neoliberal governance practices of democracy and capitalism in the era of globalisation. Many African governments went in the opposite direction of the international trend in political governance at national, subnational and regional levels. In the international system regional integration has been a dominant trend as a means for states dealing with globalisation. Every regional organisation stands for co-operate efforts of individual states to promote national and collective objectives. Regionalism is a means of extending national concerns and ambitions rather than an alternative to a state-centred international relations (NEPAD strategic plan, 2001: Internet: par. 93-94) and Gilpen, 2001: 357-358).

Gilpen (2001: 357-358) argues that the liberal ideology in the international system should not assume that regionalisation signals the movement away from a state-centric approach and the start of a post-state international system. The realism ideology emphasises that regionalisation in general has

been a response by states to share political an economic problems and issues. This is done in order to strengthen and increase their bargaining position. However, Africa's political integration does not reflect the global trend. African states continue to be overly protective about their sovereignty and formulate policies that have a divergent rather than a common ideology. This should not necessarily be viewed as a problem but as an opportunity. The sub-regions such as the Economic Community of West African States (ECOWAS), the Southern African Development Community (SADC), the Common Market for East and Southern Africa (COMESA) and the United Arab Maghareb (UAM), have the capability and will to increase the current inter-trade by 8%. Economic trade is effective to promote desirable political development in democracies. The current way inter-trade is heading implies that African states do not put much store on interdependence; and can therefore hardly influence each other (Ryan, 2003: 20). The question needs to be asked why African States lack the ability or will) to politically integrate?

African leaders aim to promote and maintain good governance and democracy in their respective African states and sub-regional organisations. In the long term good governance and democracy firmly implemented should strengthen the mechanism for conflict management and create political stability that could lure economic investments (NEPAD plan, 2001, Internet: par. 49).

One of the aims of this chapter is to explain why political development has not been achieved in most African states. The belief that the whole world after the end of the Cold War, which was won by the democratic and capitalist states led by USA, would be democratic, has been proven false. It therefore also crucial to critically analyse how democracy has been implemented in Africa, especially since the end of the Cold War., Also worth exploring is how NEPAD's strategic plan and the African Peer Review Mechanism (APRM) should deal with good governance and democracy in Africa (Mills, 2002: 71). The acknowledgement and scrutiny of how and why Africa tends not to deliver on the ideals of democracy in Africa have been lacking. Questions about the kind of democracies Africa has been implementing should be asked.

Furthermore, how can Africa's partnership with the developed states, IGOs and NGOs influence their continent to implement desirable and globally accepted democratic principles of good governance and democracy? (Mills, 2002: 64-65).

There are a number of reasons that help to explain the impact that the new post-Cold War global environment had on Africa's prospects for economic development.

Firstly, after the demise of the Cold War, there was a marked tendency of diminishing interests in Africa by all the major conventional role players such as Russia, the UK, France, and the USA. Such a reduction of interests in Africa by the international community can be clearly observed in the field of development aid. The ODA amount received per capita in sub-Saharan Africa has declined from \$32 billion in 1990 to \$19 billion in 1998. The total ODA amount to Africa fell from \$19 billion in 1990 to \$12 billion, and likewise, the regional share of Africa in terms of total world ODA dropped from 37% to 27% in the same period. In brief, ODA destined for Africa has been reduced to two-thirds of its previous level over the past ten years (Enoki, 2004: 63).

The African Renaissance had undergone a paradigm shift as a result of the NEPAD vision. The NAI as a precursor to the NEPAD strategic plan was originally conceived from an Afro-centrist perspective and sought reliance on a pro-Africanised viewpoint. The Afro-centric approach, which is based on the May 1993 Conference on Reparations in Nigeria, demanded reparations from hand-picked developed states (whom they thought could afford it) rather than from all involved states and MNCs across the board. The African Renaissance originally saw the rebirth of Africa in a reformulation and rediscovery of the African identity and a quest for Africa's roots. This was very much a concentration on idiosyncrasies and a value system that would be distinct from Western or Oriental value systems, hence the NAI. The Africanist approach justified this on grounds that those states profited from the legacy of slavery, colonialism and the Cold War. Taken from this vantage point, those states then had to allow African debtor states debt cancellation. However, no

similar demands were put to the Middle East states to account for Africa's underdevelopment, although they raided East Africa for slaves prior to and during the trans-Atlantic slave trade. During the UN World Conference against Racism (Durban, 2001) African states still tried to get the developed states to pay reparations for slavery in the 16th and 17th centuries. This received an extremely negative response from the Western world. By the time of the World Summit on Sustainable Development (Johannesburg 2002), Africa had come to realise that it could only overcome its underdevelopment by going into a partnership with the developed world and by accepting and implementing the values of democracy and the liberal economic policies. This represented a significant paradigm shift in the face of unremitting marginalisation and stonewalling by the Western world. Africa realised their radical approach was politically illogical and amounted to overall blame shifting (Ayittey, 1999: 303-304).

4.2 Accepting the reality of globalisation

The NEPAD strategic plan (2001) recognises that Africa faces a possible future of extreme poverty and bloody political conflicts if the current political form of governance in most African states is not resolved. African leaders have committed themselves, through the NEPAD strategic plan (2001) to face up to the challenges of globalisation. NEPAD, through the AU, using the APRM, desires to follow liberal theory in order to challenge the global pecking order. This could be achieved through a partnership with developed states, IGOs and NGOs (NEPAD plan, 2001, Internet: par. 28-41).

The critical issue is how NEPAD should face up to the challenge of globalisation as it accepts its reality. The NEPAD strategic plan (2001) wishes to consistently encourage the establishment of new symmetrical partnerships to solve, in particular, the debt issue, trade imbalances, and political conflicts (NEPAD Strategic plan 2001, Internet: par. 28-41).

The term "partnership" became a theme among African leaders who eventually formulated the NEPAD strategic plan in 2001. Africa realised after

the UN World Conference against Racism (Durban, 2001) that the developed states would not hand over financial payoffs and thus accept responsibility for Africa's underdevelopment and bloody political conflicts. The then plan for Africa, the New Africa Initiative (NAI) desired unconditional payments from the developed states, especially the European states. The change of mind from Africa came out of the realisation that one cannot be held accountable for previous generations deeds. African leaders should accept the responsibility of putting Africa towards political decay and economic deficiencies (Maxwell & Christiansen, 2002: 478-480).

In the international system the term 'partnership' has been a common sight ever since the Pearson Report of 1969, Partners in development. This evolved to a major theme for the Development Assistance Committee (DAC) of the OECD, in the report of 1996 shaping the 21st century: the contribution of development co-operation. It has also been the common word in policies of NGO and IGOS. However, there are different types of models in partnership that can be formed. They all include themes such as 'shared ideas', 'trust', 'transparency', dialogue', and 'frequency review'. Models of partnership can be through trust or informal partnership, or exist as a binding contractual partnership. The EU uses formal contracts especially in matters that concern the provision of aid or development assistance to any state. Another crucial factor in partnership pertains to the clear identification of where the issue of accountability begins and ends (Maxwell & Christiansen, 2002: 479-480).

The NEPAD strategic plan (2001) emphasises symmetrical partnerships between Africa and the developed states, IGOs, MNC and NGOs. History has taught Africa that there have been numerous cases where the failure of development plans has not been caused only by the poor performance of recipients, but by insufficient assistance provided by developed states, NGOs and IGOs (NEPAD strategic plan 2001: Internet: par. 186). In a symmetrical partnership the assisting state or actor has virtually no responsibility and is not accountable to anyone. However, in a symmetrical partnership, there is equal share of accountability and the responsibilities. The NEPAD strategic plan (2001) accepts and faces the reality of globalisation. NEPAD is a plan (2001)

that uses the AU as its institution for implementation. It has caters for keeping the partnerships with the developed states formal or informal. It remains to be seen what criteria the African Peer Review Mechanism (APRM) will use to guarantee its credibility (Maxwell & Christiansen, 2002: 482-486).

The NEPAD strategic plan (2001) aims to continue with the current partnerships in Africa. These include: the UN new agenda for the development of Africa in the 1990s, the Africa-Europe summit Cairo plan of action, the World Bank- led strategic partnership with Africa, IMF fund-led poverty Reduction strategy, the Japan led Tokyo Agenda for Action, the AGOA of the USA, and the Economic Commission on Africa led Global Compact with Africa (NEPAD plan 2001, Internet: par. 186).

Most of the previous partnerships with IGOs NGOs and developed states have now been termed the 'CNN factor', by Kofi Annan of United Nations. The 'CNN' factor describes the tendency of the IGOs NGOs and developed states to re-act and ignore the cause – effects when horrible drama of political decay especially civil war, genocide and extreme poverty in Africa is screened all over the world by the media. They quickly dash out to the scene, with only a superficial understanding of the local dynamics, knowing and learning nothing about the African national and sub-regional political environment. As a consequence they have no middle option in choosing between whom to supporting and what to avoid. It has been easy for such an asymmetrical partnership of intervention to be a waste of resources. This occurred in Somalia 1993 and in Zaire (now DRC) refuge camps in 1996 (Nathan 2001: 3). The *Tutsis* rebels were invading from Uganda backed by President Yoweri Museveni's Tutsi army. When the Hutus fled to Rwanda after massacring a million Tutsis in 1994 they settled in Zaire (DRC). The UN naively employed Tutsis as soldiers to guard the delivery of and distribution of the food aid (Ayittey 1999: 23-24).

Developing states like African states should accept they have experienced the disadvantages of globalisation through the past decades. Through the NEPAD strategic plan (2001) African states should acknowledge that in

managing the challenges of globalisation there are few pointers. African states should be given sufficient time to develop their political and economic systems into democratic ideals. Secondly, political courageous and democratically inclined leadership is important. Accountable leaders should easily be able to enforce democratic ideals of governance. Lastly, African states that have successful modes of political and economic development as devised in the NEPAD strategic plan (2001), should pass them on to other fellow AU members, especially at sub-regional level (Mills & Oppenheimer 2002: 11).

In view of the international nature of the interdependence the NEPAD strategic plan (2001: Internet: par. 93) enchants the political issue of cooperation and political integration of African states.

4.2.1 The AU and sub-regional organisations

The crucial issues that would lead to Africa benefiting from globalisation within the theme of partnership, as proposed by NEPAD strategic plan (2001) require dealing with the following political aspects: sovereignty of African states the political will of the African leadership in implementing good governance and democracy and the reaction of the developed states, NGOs and IGOs and the level of authority of the AU.

Africa should accept that the sovereignty of its AU member states should be curtailed for African unity which firstly should be achieved at sub-regional level where unity is more likely. Sub-regional organisations such as ECOWAS and COMESA could be of great importance when they achieve a single economic policy and political ideology of governance within their member states (ECOWAS, Internet: 2003) and (COMESA, Internet: 2003). The underlying issue has been identifying what should encourage and motivate AU member states, or those like the kingdom of Morocco (which is not an AU member) to transfer their sovereignty to their sub-regional organisation and the AU (Gibb, 2002: 11).

The Pan African Parliament (PAP) should formulate and pass the laws that are proposed by the NEPAD strategic plan 2001. This initiative could bring the African states to a point of forming common political policies. Although the PAP will only be making laws from 2009, the initiative has great potential to be a success. PAP has the institutional capacity to deal with its challenges. The African Peace and Security Council (APSC) should intervene in the case of Human Rights abuses especially genocide and war crimes to bring political stability in Africa (Cornish, 2004(b): 16).

The NEPAD success strategic plan (2001) will depend heavily on its sub-regional organisation and the AU. AU institutions, such as the PAP and APSC could be highly effective in implementing their policies in member states. This could be constructively achieved if the AU member states were to cede some of their sovereignty to the AU and their respective sub-regional organisations such as the SADC, COMESA ECOWAS and AUM. Cornish (2004(b): 16) concludes that most African states will cede their sovereignty to the AU. However, this assumption maybe accepted when it refers to small and politically powerless African states. The issue of sovereignty could be greatly contested by relatively undemocratic states that form the majority of the AU member states, such as Cameroon, Egypt, Angola, Libya, Zimbabwe, Uganda, Sudan, Togo (NationMaster, 2004(a): Internet).

The issue of sovereignty could be address when Article 4(g) and 4(h) of the Constitutive Act of the AU is amended to suit Article 3(b). Article 3(b) emphasises that the AU shall defend the sovereignty of its member states but Article 4(h) states that the AU shall intervene only in cases of human rights abuses like genocide and war crimes. Article 4(g) states that the AU member states shall not intervene in the affairs of another. The vastness of the problem is obvious and pertains to how much of their sovereignty are members willing to cede to the AU. This dilemma of sovereignty is caused by the Constitutive Act because it does not appear to reflect the globalisation approach to political integration and co-operation that the NEPAD strategic plan (2001) endorses. As results there is clearly a potential area of conflict

and contradiction in the Constitutive Act of the AU without a way forward (Constitutive Act, 2001: Internet).

The critical issue of the payment of the membership fees cannot be interpreted as a potential threat to the existence of the AU. The US \$53 million annual that the AU requires can be settled by other member states that are financially capable. South Africa, Nigeria, Egypt and Algeria increased their annual membership contributions to subsidise the member states that are unable to settle their membership fees. In return, the four states requested that their citizens should be given priority when the personnel for the AU is recruited. Although the African states that do not settle their membership dues have been barred from talking or voting at the AU, much more attention should be paid to the importance of the AU. This implies that the AU should reveal to member states, especially the poor and small states, the benefits of being part of the AU by taking political collective actions that could persuade member states to stay within the AU (Cornish, 2003(a): 13; Cornish 2003(b): 16).

The reality of globalisation is that it is dominated by regionalisation that insists on interdependence among those states. However, the political leadership of Africa has not addressed the issue of sovereignty within the AU constructively. African leadership should realise the importance of global partnership because it could be significant in determining the success of the NEPAD strategic plan.

The NEPAD strategic plan (2001) urges African states to use the global podium of the AU to re-formulate global partnerships with developed states, NGOs and IGOs to become more symmetrical. Africa should strengthen partnerships with the NGOs and IGOs in order to achieve the aim of creating and sustaining good governance and democracy in Africa. Among these NGOs are the following: Human Rights Development Centre, the National Democratic Institute (NDI), the United states Agency for International Development (USAID), and the ODA (Ake 2000: 148).

4.2.2 Successful global partnerships

Since the end of the Cold War era there have been many successful global partnerships that brought about good governance and democratic state in developing states, more in particular Africa. One of the successful NGOs in promoting good governance and democracy is the USAID. The USAID, in partnership with other NGOs developed states and IGOs, put global pressure on South Africa to end Apartheid and implement democracy. It consistently and constructively supported the Comprehensive Anti-Apartheid Act of 1985 that was initially passed by the USA government against the policy of Apartheid in South Africa. The Bill was passed as an Act despite objections from the USA President Ronald Reagan. This provided a solid foundation for the World Anti-Apartheid Movement and the Free Nelson Mandela campaign and contributed to the democratisation of South Africa (Ake, 2000: 149). South Africa's success to implement and sustain good governance and democracy became a reality because of sustained global pressure from the IGOs such as the IMF and World Bank and the developed states like the USA. The IMF and World Bank together with the USA emphasised that they would not give primacy to the Apartheid government and no project would favour SA or proceed unless all political parties at Congress for a Democratic South Africa (CODESA) consented. Ayittey (1999: 23) asks the question "Why is this form of pressure not applied in all African states? Is it that the scene of white Afrikaners oppressing black majority more harsh to accept than black dictators oppressing their populations?"

On the continental level, the partnership among the African states with the developed states, NGOs and IGOs has revealed signs of the success of the NEPAD strategic plan. South African leadership has emerged as the forerunner to put Africa on the pathway in the implementation of good governance and democracy. In the political sphere, South Africa's commitment to enforce the ideals of the NEPAD strategic plan (2001) has been by providing encouragement for peace-talks and provision of peace-keeping forces in conflict areas of Africa such as DRC and Burundi. Peace and security are the pre-conditions for sustainable development as endorsed by the NEPAD plan (2001: Internet, par. 74).

In November 2003 the largest Burundi rebel group the Forces for the Defence of Democracy (CNDD-FDD) was persuaded to join the transitional government. This historic event became a reality because of the continuous political pressure South Africa exerted, in partnership with UN, NGOs and developed states for a peace settlement. The CNN-FDD leader, Pierre Nkurunziza, saw the necessity to stop fighting and start negotiations for a peace settlement (Cornish, 2003(c): 25). Back in 2002, the DRC peace-talks took a constructive turn for Africa's development. The Inter-Congolese Dialogue was first held in Ethiopia, Addis Ababa. The second round took place in Sun city, South Africa (Mills, 2002: 43).

The NEPAD strategic plan has been adopted by the South African leadership in its foreign policy. In partnership with the UN, South Africa led African states into deploying its peacekeeping troops in the DRC. The RSA battalion joined the UN peacekeeping soldiers to make up the total of 10 800 UN peacekeeping force that costs the UN US \$608 million annually. This has so far been the UN's most expensive plan. This is a plan that could bring security and peace other than non-stop civil war that costs more than the price of peace (Cornish, 2003(c): 25). South Africa as the largest economy and the most political influential African state is taking responsibility for reviving Africa's political governance in accordance with the Constitutive Act of the AU. Article 3(h) encourages the member states to promote, peace and security thereby creating political stability in Africa (Constitutive Act...2000, Internet:). The negative sentiments expressed by Cornish (2003(c): 25) about the large amounts that are endorsed by the UN for peacekeeping missions in Africa is invalid since he offers no valid alternative. The point of that argument ignores the importance of interdependence in a globalised world.

There are, however, numerous academics that claim that the NEPAD strategic plan of accepting globalisation and liberal ideologies within the aim of reviving Africa could be devastating for Africa.

4.3 Critics of the NEPAD approach

There is an assumption that the NEPAD strategic plan should not view Africa's revival as the only possible through the ideology of liberalism in globalisation. An ideology that has been created in Africa and its human resources should be at the forefront of the plan to develop Africa: It would be easier if Africa could adapt to those conditions that are formulated by Africans to suit Africa, rather than accepting the liberal ideology in which NEPAD is approaching Africa's revival (Matthews, 2003: 64-69).

This assumption is further supported by Nabudere (2002: 6), who emphasises that the NEPAD strategic plan aims to please the developed states, and yet again beg the for the US \$64 billion or 7% annual GNP for the next 15 years when it complies with the APRM and NEPAD conditions for sustainable development. Whereas capital flights that are encouraged by corruption are estimated at US \$150 billion. Another issue is that of AU member states that claim their territories to be legitimate, although they were created at the Berlin conference of 1884/5. The critical issue, therefore is that African states, with these border lines are not economic and politically viable for the revival plan. They are 'shell states' responsible for the vicious circle of underdevelopment, debt crisis and political decay. This argument is full of holes and is lashing up old grievances. There are many European states like Switzerland - ice landscape and small ostensibly unviable city states like Luxembourg, Monte Carlo and the Vatican city (Nabudere 2002: 6). Some writers like Shubin (2000: 9-10) Matthews (2003: 64-69) and Nabudere (2002: 6) deny that the globalisation phenomenon began a long time ago.

In the 20th century global politics emerged in the sense that patterns of conflicts and co-operation among states began to extend across the globe. Globalisation is a complex web of interconnectedness. This implies that events that occur, and decisions that are formulated at great distance, are increasingly shaping our lives. The basic feature of globalisation is therefore that geographical distance is of declining relevance. Furthermore, the territorial boundaries between states are becoming less significant. Therefore

there is a growing interdependence and blurring of boundaries between national, subregional, regional and global level (Heywood 1997: 140).

Africa cannot be an island and yet claim to be part of the global trends and benefit from globalisation as Nabudere (2002: 6) claims. Partnership is a theme that might assist Africa to develop, and to become an active participant in global relations. Matthews (2003: 69), put aside the importance of democracy in Africa and insist on African democracy that she claims is different but in fact very similar to liberal democracy. The assumption is that the democratic ideals are European and therefore they should be foreign to Africa. However, contrary to popular belief, Africa in the pre-colonial era had democratic form of governance. The *Zulu, Ashanti, Somali* and so on had institutions such as councils of advisors. These institutions could be used by the people to solve their disputes, air their problems, and the king could be held accountable: if found guilty of misconduct, a person would be sent to exile, or have to compensate the victim or be assassinated secretly. Democratic principles have since evolved out of this that function on the same principles everywhere (Sindane & Liebenberg 2000: 34-36).

After the end of the Cold war democracy as a political system has been unchallenged and is the dominant political philosophy. It is unclear what alternative there is apart from the democratic form of governance. The description that provided of what is invalidity regarded as the 'African way of democracy' lacks a theoretical framework and practical examples. This antiglobalisation approach is opposite of what the NEPAD strategic plan (2001) stands for and has somehow been influenced by the controversial 'clash of civilisation' by Huntington. Matthews (2003: 69) and Shubin (2000: 9-10) seem to have overlooked the past and present economic and political conditions in Africa that Africa learnt from its own experience shortly after the independence era, that most African states relapsed into authoritarian or military regimes. The democratic institutions like the elected parliament, independent judiciary system, independent media, free and fair elections were abolished or severely controlled by government (Heywood 2002: 38-39). With undemocratic states, consequences for Africa have been the prominence of

political decay and economic decline. There have been at least 40 successful military *coup d'états*, 80 plots on heads of states or leaders of government or both. Furthermore, there have been 17 mutinies that eventually created rebel forces. Such a picture created displacement of millions of people throughout Africa (Kaya 2001: 6). Africa has more displaced people than any other continent in the world. The number of displaced people has increased from 5 million in 1998 to 13.5 million 2001. The primary cause of conflict is the non-existence of conflict preventative measures and management. In democratic states tolerance and peaceful negotiations is the order of the day. Whereas in undemocratic states violence is how disagreement is solved. (White, Danevad & Wates, 2002: 25).

Democracy and good governance is a necessity for the success of African states. An independent judiciary system and free press enables people to make informed decisions. The economic liberalisation that the NEPAD strategic plan encourages promotes a free-market system with demand-supply driven policies, rather than the failed controlled economic policies, that have put Africa's economic system in appalling debt. Consequently, Sub-Saharan Africa only attracts, on average, less than US \$10 billion annually from Foreign Direct Investment (FDI), this compared to the total of US \$200 billion going to the developing states (Mills & Oppenheimer, 2002: 11). The reality is a continent with a potential to be among the most developed and wealthy is among the poorest, even though, it ironically possesses rich natural resources.

The paradigm shift that many African leaders are now making includes the strengthening of mechanisms for conflict prevention and resolution and management at the regional and sub-regional level. Secondly, these leaders desire to promote and defend democracy in their respective states and sub-regions, by formulating clear view points on accountability transparency and the presence of participatory governance (NEPAD plan, 2001: Internet: par. 47-49).

4.4 Revitalisation of Political Governance

4.4.1 Good Governance and Democracy in pre-colonial Africa

Contrary to popular belief, democracy as a form of rule was prominently exercised in pre-colonial Africa. Many ethnic groups dealt with day-to-day conflicts and issues using and following a democratic form of governance, which was further supported by various institutions. The Ashanti, Kikuyu, Yoruba, Zulu and so on, based their political systems on democratic principles and good governance. Prominent institutions that supported democratic ideas and good governance included Titled Associations, Village Assemblies, Council of Elders, Advisory Council, and consultative authority. The Assembly was the highest decision making organ of the government. They discussed general affairs of the people. Titled holders settled conflicts, followed public opinion, and checked the exercise of authority. Royal Kinsmen acted as a democracy supporting institution. They held the King or Queen accountable for incompetence. Assassination and forced resignation were means of punishment for abuse of power, and incompetence (Sindane & Liebenberg, 2000: 34-36). The manner in which decisions were made can be concluded to have been through consensus. The public could oppose a decision and suggest an alternative in the presence or in absence of a King or Queen (Sindane & Liebenberg 2000: 37).

To sum up, ancient Africa regularly exercised the principles of good governance and democracy. What is now termed "village under a big tree" has been and is a symbol of participatory democracy. In ancient Africa the King could not jail or kill someone who disagrees with him. This proves that the assumption from dictators such as General Joseph Mobutu of Zaire who declare themselves as 'presidents for life' because they claim there is no democracy in Africa is full of holes. The reality is that given the legacy of precolonial Africa, nothing stands against Africa's way to streamline and adapt modern democratic principles to run their countries in a modern democratic way (Ayittey, 1999: 92-93).

4.4.2 Good Governance and Democracy in Post Cold War Modern Africa?

Chapter three concluded that, at state level after the 1960s independence era, Africa relapsed into undemocratic forms of governance. It was only towards the end of the 1980s that Africa seemed to be heading back to a democratic form of governance. This section wishes to prove that structural conditions, both national and internationally influenced, had greatly contributed to the political development of democracy in Africa. These structural conditions include the end of the Cold War, national political instability, and international influence from IGOs and developed states (mostly ex-colonies) (Ake, 2000: 127-128). In this light, this section will explore the will of African political leadership to implement good governance and democracy at state, sub-regional and regional level (AU) of governance. It will explore the reaction of the developed states NGOs and IGOs.

The political decay that ravaged Africa from the 1970s with appalling economic conditions from the 1980s began to frustrate and cause desperation among the Africans. African governments, more in particular the leadership, were in an environment that began to question their legitimacy. Political protection against incumbent African leaders became a common sight (Van de Walle, 2001: 239-240). It should be acknowledged that most of the protesters demanding regime change had the following features:

- Political elites, who have been denied access to the government;
- Social groups, that have been previously been oppressed and excluded from political participation, and
- IMF and World Bank, and the
- Developed states, and ex-colonial states.

The democratic movement in Africa has been that of a loose coalition of groups sharing vague goals about democracy in Africa thereby paradoxically providing the present government with weak or no opposition, and no greater need to implement democracy. It is unsurprising that these movements die out or become part of the government they had been protesting against. In Africa, the development and need for a democratic form of governance was

greatly emphasised by the Cold War. The Cold War ended with the victory of the USA and its allies over that USSR and its communist block (Ake, 2000: 127).

This has been described to imply that democracy and capitalism could freely thrive throughout the world. As a consequence, more pressure could be put on Africa to implement democracy and capitalist ideas as a form of governance. By the late 1990s, more than 31 African states had held elections (Mills, 2000: 64-65). Developed states had realised that they had misjudged Africa in the era of the Cold War. They had acknowledged that economic development could not be sidelined from political development, as it had been during Cold War years. Therefore the USA pursued an approach of conditional aid: democracy before and in processes of aid (Ake, 2000: 128-129). In Benin and Zambia the IMF and the World Bank withdrew support from the incumbent governments, a decision that severely affected the change of governments. The French government appeared once again to be out of step with of the rule of applying aid where there is democracy. France assisted Biya in Cameroon and Houphouët-Boigny in Cote d'Ivoire. This contributed heartily to the survival of governments that practiced bad governance and dictatorship (Van de Walle, 2001: 241-242). In the early 1990s France sent at least 700 armed soldiers with arms to assist a Hutu government of Juvénal Habyarimana to fight off *Tutsi* (backed by Uganda) of the Rwanda Patriotic Front. France helped the Hutus that had massacred Tutsis and shepherded them to a French-speaking zone of Zaire (DRC). France believed it was defending a Franco-zone against a hostile Anglozones (Ayittey, 1999: 60).

In other African states, France continued to be in line with the USA's aim of encouraging democratic African governments. In the Central African Republic (CAR), President Kolingba refused to acknowledge the election results of 22 August 1993 after he had lost. However, Kolingba had to re-announce his decision after France stopped all bilateral co-operations with the CAR. Other African states that held democratic elections out of international pressure include Togo and Ghana (Ake, 2000: 129). It is with the above trend that the

NEPAD strategic plan emphasises symmetrical partnership relationship with the relevant actors (NEPAD strategic plan 2001: Internet: par. 186).

It has been noticeable that when the situation suited the developed states, they opposed undemocratic African states. However, when their interest is at stake, developed states, together with non-governmental organisations were quick to prolong undemocratic African states. France, the largest bilateral donor in West Africa, supported undemocratic African states such as Cameroon, Cote d'Ivoire and Togo (Van de Walle, 2001: 268).

In the post Cold War era, African states could not at all sustain the trend of implementing and supporting democracy in Africa without partnership from neighbouring states and support from the OAU, the now AU. Moreover, the involvement of former colonial states into the affairs of African states completed the problem. Current trends are the creation of resource-influenced wars and the militarisation of society. This is because the Cold War surplus led to arms becoming freely and cheaply available. Furthermore, mercenary contracts for guns-for-hire in exchange for resourced mines like diamonds, platinum and gold leases increased. This environment has greatly contributed to a belief in Africa that the sword is mightier, than the consensus and compromise, continuously supported by democratic ideals (Mills, 2002: 40).

The underlying factor of this chapter is that of the feasibility of democracy in Africa. How has democracy been implemented in Africa? How has it involved the AU as its regional organisation, and, furthermore has it been sustained and institutionalised? When the third wave of democratisation began notably with the end of an autocratic government in 1974 Portugal, it could spread to other neighbouring states, and thereby influenced other states. This is because it was supported and encouraged by NGOs like the Roman Catholic Church, the EU and the USA. Furthermore, democratic elections were not the beginning and end of a democratic process. Other democratic institutions were implemented to ensure the transparency and accountability of government and society. Although 34 African governments have taken office

through democratic elections in the 1990s, how democratic were they and how can they sustain democracy (Duvenhage, 1998: 4-21)?

The critical issue is that numerous independent surveys and studies indicate that Africa has little or no democracy. In a rating out of ten, for full democracy not a single African state appeared. South Africa and Botswana rated 9/10 making them position 31 and 39 respectively in the world. The nearest to that of all the African states in Malawi, which rates 7/10 taking the position of 54 in the world. The ratings for the African states varied from 6/10 to 2/10, in accordance to the level of democratic institutionalisation, therefore its sustainability and stability. Furthermore, out of 10 states that rate lowest on the list that is from -1.00 to -2.00 nine out of 10 were African states (NationMaster (a), 2004: Internet).

It could be argued that this was the year 1999, and things have since changed. However, the new democratic process began a decade ago in Africa. This implies that ten years after the third wave of democracy only a few African states have institutionalised democracy. In fact, then, most of those elections dubbed democratic could be classified as predetermined. Those elections could be regarded as null and void, in most developed democratic states. The outcome of the electioneering process was partly free, and not free, as illustrated in figure 4.1 (Van de Wall 2001: 243). In this light, Africa can be termed to have virtual democracy. The elections that are held for the whole world to see usually hide the reality. Although some African state's constitutions recognise political liberty and civil rights, these are, in actual fact, not implemented. Furthermore, Human Rights abuses are a daily norm; and independent media is often threatened and physically harassed by State sponsored militia. Moreover, the executive members of the government are usually immune from prosecution (Van de Walle, 2001: 243).

In the 1990s most African leaders allowed the elections to take place as a sacrifice in order to continue receiving financial benefits from the developed states especially their ex-colonial states. Elections in most African states were

not viewed by their leaders as a step towards good governance and democracy. In the aftermath of the elections in most African states unaccountability and lack of transparency remained a common phenomenon (Chabal, 2002: 447-450).

In addition to the above, when elections are held the political parties are mostly organised and based along ethnic and racial lines rather than political interests. Kenyan African National Union (KANU) of Kenya is *Kikuyu*, Zimbabwean African National Union- Patriotic Front (ZANU-PF) of Zimbabwe is *Shona*, Action Group of Nigeria is *Yoruba* and so on (Kaya 2001: 10). The situation in the aftermath of the elections becomes problematic. It creates a recipe for political conflict. When the party concerned loses an election it believes to have lost its ability to defend and represent its constituency. This is caused by the manner in which electoral systems are designed. Most African states use 'the winner takes all' electoral system. In this electoral system the minority ethnic groups are excluded from the structure of political governance. They begin to assume that whether they are in democratic or undemocratic states violence should be a means of survival (Nathan, 2001: 17-18).

It is with this reason that figure 4.1 concludes that less that 10 of the 54 African states held democratic elections between 1990-1998 (Van de Walle 2001: 245-246).

Figure 4.1

FREE	PARTLY FREE	NOT FREE
Benin (2)	Burkina Faso (2)	Cameroon (2)
Botswana * (2)	Central African Republic (2)	Chad (1)
Cape Verde (2)	Comoros (3)	Rep. Congo (2)
Malawi (1)	Ethiopia (2)	Côte d'Ivoire (2)
Mauritius* (2)	Gabon (2)	Djibouti (2)
Sao Tome (3)	Ghana (2)	Equatorial Guinea (1)
South Africa (1)	Guinea-Bissau (1)	Gambia* (2)
	Lesotho (2)	Guinea (1)

Liberia (1)	Kenya (2)
Madagascar (2)	Mauritania (2)
Mozambique (1)	Niger (3)
Nigeria (1)	Togo (1)
Senegal* (2)	
Seychelles (2)	
Sierra Leone (1)	
Tanzania (1)	
Zambia (2)	
Zimbabwe (2)	

Number: 9 18 12

Number of elections

1990-1998: 16 31 21

States shown in bold and *italics* in figure 4.1 : the incumbent was ousted as part of transition to multiparty rule. States with * : multiparty system was in existence for an extensive period of time before 1989. All regimes that are not multiparty are excluded from this analysis. Burundi (not free, one election in 1993) and Angola (not free one election in 1992) were excluded because of the civil war and end of multiparty rule. DRC (not free) Eritrea (partly free) Rwanda (not free) Somalia (not free) Sudan (not free) Swaziland (not free) Uganda (partly free) are not included because of the absence of multiparty elections (Van de Walle, 2001: 245). An election, as a solitary process of political governance according to the ideals of good governance and democracy, has not worked anywhere in the world. An election is a democratic process that should be supported by other democratic institutions. It should not be regarded as the start and end of democracy (Mills, 2002: 71).

It is invalid to conceptualise and conclude that the term 'African Democracy' is actively implemented in Africa. In fact, it is dictatorship that African leaders like Colonel Ghadaffi, term 'African Democracy'. Democracy is not limited to West European ideology. It is a form of governance that has been alive in precolonial Africa and is visible amongst the modern African communal villages and social organisations in the urban areas. This makes democracy a common form of governance. This assumption does not imply that democracy should interfere and contradict local knowledge and values regarding political

governance. The democracy that is practised in Germany is not the same as that of the USA or Britain. However, they all have the basic features of good governance and democracy (Mills, 2002: 173).

The reality is that African leaders have to face up to the reality of Africa's political governance. According to the OECD in 2001 there were five major types of political governance in Africa. Firstly, dominant party rule in 22 states with a total of 325 million. Secondly, presidential – parliamentary in 12 states with 200 million people. Thirdly, is the presidential – legislative in six states with 81 million people. Fourthly, military dictatorship in three states 58 million people. Lastly, civilian – military in three states with a population of 65 million (African Economic Outlook, 2004: Internet).

Democracy in the majority of African states has failed to broaden the popular political participation in a meaningful way. The growth and sustainability of good governance and democracy in Africa should not be controlled by the political elite but by the civil society such as interest groups namely religious organisations, workers' unions and communal associations. After all the growing demand for good governance and democracy is a response to government corruption, ethnic conflict, marginalisation of the minority and majority ethnic groups and taxation without representation. Interest groups should pressure their governments to account for their actions and influence their government's policies and actions (Cheru, 2002: 45-53). The South African case should be an example to the African states on how to implement good governance and democracy in Africa. The foundation of the South African democracy is a result of the 'Sunset clause' structural accommodation that embraces the nature of the diversity of an African state. The political system is inclusive and protects the interests of the minority. This mechanism does not compromise the fundamental tenets of good governance and democracy (Nathan, 2001: 18). The essence of this political arrangement like that of any democratic state, is to promote peaceful conflict resolution. This implies the creation of independent institutions that serve to defend and sustain good governance and democracy (Jonker, 2001: 79-84).

4.4.3 National reconciliation

Promoting democracy can be an unsuccessful campaign in African states more specially to those that have been stuck in civil war. Effective political governance requires political stability. It is national reconciliation that becomes a prerequisite for sustainable peace security and growth of the economy. Conflict resolution in Africa should move beyond the military intervention that is visible with the UN blue helmets and Jeep vehicles to focus its attention on the root causes of political conflict (Cheru 2002: 204).

Chapter 3 concluded that many African states with the absence of justice are frequently the primary principle for the prominence of political conflict that eventually soar into civil war. The basic objective of implementing peace is the establishment of peace with justice. The issues that require immediate attention are the need to seek political solutions from the local community rather than from national leaders. Secondly, interest groups such as the religious organisations, workers' unions, community association and so on should pressure their respective governments to be accountable for their actions and be part of the reconciliation process. Finally, sub-regional organisation and the AU should deal with political conflict prevention measures where the conflict is relevant. The ethnic conflict in Rwanda, Uganda, DRC and Burundi could sufficiently be addressed at the COMESA summit and Pan African Parliament (Cheru, 2002: 204-218).

Africa's failure to implement and sustaining good governance and democracy cannot be viewed only as the cause of political decay. It can be interpreted as the potentially constructive solution. African leaders are aware of the destructive results of political decay in Africa. It is imperative that they should take full responsibility of the political destination of their African states.

The NEPAD strategic plan 2001 and the APRM have been formulated to serve as code of conduct for political governance in Africa from state level of governance to sub-regional and regional (Ake, 2000: 147-148).

The critical issue as Professor Makumbe of the University of Zimbabwe emphasises, is whether it is possible for the AU to willingly police itself. If it does police itself, will it display its commitment by pressurising its member states to implement good governance and democracy? (Taylor, 2002: 409).

4.5 African Peer Review Mechanism: Good governance and democracy

4.5.1 Assessment criteria

The APRM is a unique "good governance monitoring system" that puts the NEPAD strategic plan a cut above its predecessors. It is a plan that can be compared to the code of conduct for business practice or ethical standard for lawyers or medical doctors. It is a plan stating how things should be done in Africa in implementing good governance and democracy (Van de Walle, 2002: 470-471).

At the heart of the NEPAD strategic plan is the recognition that African states should establish an effective and democratic mechanism that should monitor the progress of African states in implementing democracy.

Comprehensive assessment criteria to determine a state's compliance with APRM standards are provided in the NEPAD document, 'Declaration on Democracy, Political, Economic and Corporate Governance'. The declaration defines the political and economic standards of governance which APRM members can expect to be held accountable to.

In the declaration, good political governance includes:

- the rule of law
- the equality of all citizens under the law and the liberty of the individual observance of the separation of powers, including the protection of the independence of the judiciary and of effective parliaments
- equality of opportunity for all

 the inalienable right of the individual to participate by means of free, credible and democratic political processes in periodically electing their leaders for a fixed term of office (APRM, 2002: Internet).

In the declaration, economic governance is divided into eight codes, which NEPAD declares:

have the potential to promote market efficiency, to control wasteful spending, to consolidate democracy, and to encourage private financial flows - all of which are critical aspects of the quest to reduce poverty and enhance sustainable development (APRM, 2002: Internet).

The document points out the need for transparency, accountability, participation in government, peace and stability of a state in fostering development on the African continent and then lists the eight economic governance codes described in the declaration (APRM, 2002: Internet).

- Code of Good Practices on Transparency in Monetary and Financial Policies
- Code of Good Practices on Fiscal Transparency
- Best Practices for Budget Transparency
- Guidelines for Public Debt Management
- Principles of Corporate Governance
- International Accounting Standards
- International Standards on Auditing; and the
- Core Principles for Effective Banking Supervision.

4.5.2 Challenges and prospects

The detailed functions of the APRM should be viewed as a means of trying to guarantee that symmetrical partnership produces desirable results. The issue of partnership in this context brings the critical aspect of monitoring. Symmetrical partnership could bring to the surface controversial political aspects such as the legacy of European colonisation in Africa and structural adjustment programmes (SAPs). In addition, symmetrical partnership could

tackle three major structural issues. Firstly, the proposed symmetrical partnership which should include all AU member states, could cause great concern among the developed states and NGOs. The democratic, developed states could prefer to be in symmetrical partnership with democratic African states. Secondly, the issue of how strong or loose the partnership could be will determine its effectiveness. In a strong symmetrical partnership, the issue of sovereignty could be greatly contested in particularly by African states. Lastly, the goal of achieving symmetrical partnerships could imply challenging ties with ex-colonial states like France, who consistently re-enforce the dependence idea that the NEPAD strategic plan desires to eradicate (Maxwell & Christiansen, 2002: 480-481).

The APRM is similar to the EU growth and stability pact. This pact puts economic and political pressure on member states that do not adhere to the principles of good governance and democracy. However, the NEPAD strategic plan should not adopt the role of policeman but that of consultant. The reality is that most Africa states are undemocratic. To change them to democratic states should be an evolutionary process. This strategy could damage potential symmetrical partnerships with the developed states and NGOs. Forming strong symmetrical ties with the EU's growth and stability pact could be advantageous for Africa's pace of implementing good governance and democracy, but disadvantageous in the case of sovereignty (Katzenellenbogen, 2002: 9).

The APRM broadly re-enforces the echoes of the OECD review mechanism. The APRM aims at monitoring the process of Africa shifting away from the donor-imposed conditions that have been tremendously asymmetrical based partnerships, bad governance and dictatorship states. This should equip the APRM with the mechanism for assessing, with a basic aim of focusing on the results. The APRM should set high standards of political good governance and democracy that the developed states and NGOs could depend on the credibility of the APRM. When the APRM concludes that a particular African state is governed according to the principles of good governance and democracy, this should serve as the pervasiveness of political stability, peace

and security to the developed states, NGOs and in particular MNCs. Political stability lures economic development because businesses work where there is political stability. Political stability in Africa could lower the risk analysis of African states and lure economic investment that African states could use to reduce their debts. (Mills, 2002: 223-224).

The APRM should not function as a policeman of the AU and that should provide it with great prospects to meet the challenges faced by African states. It should serve as consultant on what is required to implement good governance and democracy within the AU member states. The potential economic returns for African states that are implementing good governance and democracy could lure many African states to take the same path.

4.5.3 Assessment of AU member states

The first group of AU member states to be monitored should have high levels of good governance and democracy and if not it could be ready to democratise itself. It should be expected that when a specific state desires to be reviewed it would have reviewed itself. The APRM clearly states in detail the standards, criteria and indicators that should be used when reviewing a state that has volunteered for the level of good governance and democracy (APRM, 2003(a): Internet).

In this light long time undemocratic African states such as Libya, Swaziland, Angola and as listed in figure 4.1 could attract great attention when they volunteer to be reviewed by the APRM. However, Hawthorne (2002: 36) ignores that the APRM is a voluntary mechanism and that for it to function, it requires a two-thirds majority endorsement from African states. In addition, the AU has no authority to compel member states to comply with the APRM and the NEPAD strategic plan. The conclusion that the real test for the credibility of NEPAD and APRM should be when the undemocratic African states are assessed is invalid.

The leadership of undemocratic African states should come under pressure when economic decay continues to undermine their legitimacy. In addition, it

is when those undemocratic African states realise the economic and political benefits of implementing good governance and democracy that they are likely to make sweeping reforms. They could demand to be reviewed by the APRM to make their claims of being democratic more credible. The APRM has the capacity to deal with such challenges as it has selected a group called the Panel of Prominent Persons. These individuals are not aligned to any organisation that could influence their judgement in implementing the APRM objectives, principles and standards (APRM (b), 2003: Internet).

Libya is one of the African states that has made a paradigm shift toward political norms that are endorsed by the NEPAD strategic plan (2001), developed states and IGOs. There are many realities that forced Libya to shift its paradigm. Firstly, economic hardship caused partially by the UN and most developed states economic sanctions made Libya realise that it would not have the military capability to defeat its long time enemy, the state of Israel. Secondly, Libya together with Tunisia entered the bid to host the 2010 Federation of International Football Associations (FIFA) World Cup. It required the shedding off its anti-USA skin to stand a chance of being one of the bid host-nation. Lastly, Libya like most undemocratic states in Africa desires to attract economic investment to their country. The NEPAD strategic plan (2001) has given Libya a political life to revive itself and be part of the international system. Cornish (2004: 12) concludes that Libya keeps everyone guessing about its intentions. Such a critical assessment ignores the paradigm shift that is taking place among African leaders and it undermines the influence created by the NEPAD strategic plan.

This chapter has explored the fundamental political objectives of the NEPAD strategic plan (2001) that can be broken into three potential prosperous elements. Firstly, the AU should support and promote democratic African states. Their existence could promote peaceful conflict resolution among African states. Democratic ideals of governance encourage peaceful and coexisting international and sub-regional relations, in other words, symmetrical partnership could be sustained. Secondly, democratic African states could hold shared common values, expectations, peaceful resolution of disputes

and cohesiveness that could lead to effective political integration among AU member states. It is through this political unity that Africa could form a single influential political voice on the international relations.

However, the Constitutive Act should take account of the global reality by encouraging member states to participate and contribute to the regional organisation, while cede some of their sovereignty to the AU. The PAP and the APSC could then function effectively and efficiently. Finally, results of the above political stability could be maintained and sustained. This should lay a solid foundation for economic co-operation and interdependence, which could boost economic growth (Jackson & Sorensen, 1999: 124). This economic aspect will be discussed in the following chapter.

4.6 Conclusion

Chapter 3 has proved that in the 20th century most African states fought out their differences with weapons instead of learning to fight with convincing words and ideas. This chapter has explored the features of democracy and good governance that is endorsed by the NEPAD strategic plan and which are based on tolerance, peaceful persuasion and respect for the principles of rule of the majority. Furthermore, it has provided credible evidence that the end of the Cold war did not start the implementation and practice of good governance and democracy in Africa. Democratisation, had been from above instead of from grass roots level. It should be the interest groups such as trade unions, religious organisations, rural communal associations and so on that could effectively pressure their respective African governments to be accountable for their actions and demand transparency within government. It is only then that the developed states, NGOs and IGOs can fully put pressure on that specific African state.

Towards the end of the 20th century, African leaders have realised through their bitter experience that Africa should shift its paradigm on political governance in order to prosper in the 21st century. The African leadership have formulated a strategy to achieve development in Africa by endorsing

globalisation and accepting the liberal ideology for governance. The NEPAD strategic plan (2001) intends to deal with the accumulated problems of political decay and economic deficiencies that stem partially from the colonial era and the independence era in Africa through a symmetrical partnership with the developed states, IGOs and NGOs; and the implementation of the NEPAD plan through the AU.

The NEPAD strategic plan (2001) emphasises the promotion of the practice of good governance and democracy in Africa, along with the political integration and the acceptance of the reality of globalisation as an approach for reviving Africa. To achieve this the NEPAD strategic plan (2001) devised the APRM to monitor the AU member states that have volunteered to be reviewed for the level of good governance and democracy. The APRM should serve as a consulting agency for AU member states on what should be done for those AU member states to encourage their implementation of good governance and democracy at states level. In promoting the practice and implementation of good governance and democracy the AU should use its political institutions such as the Pan-African Parliament, Peace and Security Council and other relevant institutions. Democratic African states could hold shared common values, expectations, peaceful resolution of disputes and cohesiveness that could lead to effective political integration among AU member states. It is through this political unity that Africa could form a single influential political voice on the international relations that could be maintained and sustained. This should lay a solid foundation for economic co-operation and interdependence, which could boost economic growth.

The NEPAD strategic plan makes a call to the African leadership for a new kind of political style in Africa. It possesses significant potential for success as the plan for reviving sound political governance in Africa. The proposed symmetrical partnership with the developed states, IGOs and NGOs for the implementation and sustenance of good governance and democracy in Africa has been successful before although it was not symmetrical. South Africa changed towards democratic governance after the USA and other developed states in partnership with IGOs and NGOs put sustained political pressure on

South Africa to abolish the *Apartheid* system. This chapter has proved that developed states IGOs and NGOs can only react on what African states are politically committed to. When the majority of politically influential African states and its interest groups strive for the implementation of good governance and democracy in Africa then the developed states IGOs and NGOs could use the aid as rule of where there is democracy.

There are, however, harsh political challenges that could serve as obstacles against the NEPAD plan. These political issues include sovereignty, Lack of democratic political will of the African leadership and the expensive membership fees for the sub-regional organisations and the AU.

Sovereignty could be one of the issues of absolute contestation. In recent years, many African governments, have retained total sovereignty and control of their states. In many aspects the policies of African government have a remarkable unwillingness to cede any part of significant authority for the common good of the continent. Much of this unwillingness to cede is caused by the contradiction in the AU 's aim to protect the sovereignty of the member states and encourage political integration, while it promotes non-interference in the internal affairs of the member states within the international relations system that is affected by globalisation. If it be true that ultimately the AU member states will have to cede some of their sovereignty to the Pan-African Parliament otherwise the Constitutive Act of the AU remains irrelevant to the international relations of regionalised states system.

Most of what the NEPAD strategic plan proposes is predicated on a substantial degree of the political will from African leaders to implement and sustain good governance and democracy in their states. It is one thing for an African leader to sign a declaration of intent but another to comply with the principle of democratic governance and political integration. Developed states such as the USA have successfully put pressure on undemocratic governments in Africa to have political leadership that is on path with good governance and democracy. However, ex-colonial states to Africa like France have a tendency of interference and sustaining African leaders that practice

bad governance and dictatorship to preserve their interests. This implies that, although after 1990 there were many elections throughout Africa, only a handful can be classified as democratic according to high levels of good governance. The rest remain dictatorship states while a few are partial democratic states. There is not much the AU can do when the political leadership of Africa shows unwillingness to implement democracy in their states and demonstrates instead allegiance to ex-colonial states.

The AU consistently insists that member states should settle their annual fees. However, for African states with staggering debts those fees constitute a large amount of their annual government budget. Consequently, there are a rising number of African states in arrears. Although, Africa's largest economies have stepped forward to subsidise those states that cannot meet their financial obligations, this could elevate the already high political status of the largest economies of Africa namely South Africa, Libya, Egypt, Nigeria, Algeria and Angola. The NEPAD strategic plan and the AU shortfalls and somehow ignores to emphasise on the promotion of political reconciliation in post-conflict African states. Peacekeeping should be followed by political reconciliation. The AU in partnership with the sub-regional organisations such as COMESA, SADC, UAM and ECOWAS should seek local conflict prevention and resolution measures.

The success of the NEPAD plan greatly depends on African states and especially on its largest African economies, like South Africa. The AU is structured to have its political institutions such as the Assembly, Pan-African Parliament, and African Peace and Security Council among others. The Pan-African Parliament should make laws that the NEPAD strategic plan endorses. Those policies should be enforced by the African Peace and Security Council in partnership with the African Court of Justice. South Africa, the continent's largest economy and politically its most influential state has committed itself to the NEPAD plan by involving itself in the peace talks between Burundi, and Rwanda, the DRC peace talks and other political initiatives that are endorsed by the NEPAD plan.

CHAPTER 5

AN ATTEMPT TO REVIVE THE ECONOMY OF AFRICA

5.1 Introduction

The NEPAD strategic plan (2001: Internet par. 6 & 186) is to reduce the high levels of poverty and unemployment in Africa and place African states, individually and collectively, on a path of sustainable economic growth. In order for African states to achieve this in the long term, the NEPAD strategic plan encourages an economic partnership with developed states, NGOs, IGOs and especially MNCs, to sustain an average GNP of seven percent for 15 years in Africa. Furthermore, the strategy the NEPAD strategic plan endorses includes:

- Intense African economic integration,
- Enhanced international competitiveness, and
- Reduction in poverty and an increased employment (NEPAD plan, 2001: Internet, par. 69).

The main objective of the NEPAD plan is to revive the African economy, because it is in an appalling condition. Africa's debt was at US \$297 billion in 2003. This substantial amount of debt constitutes an average debt/GNP ratio of 47,6 % (African Economic Outlook, 2004: Internet). Moreover, this has created an economic situation where 12 African states have between 60 % and 80 % of their populations living below the poverty line of less than US \$1 per day (Nation Master, 2004(c): Internet). In the larger international economy, Africa's share in trade is a mere two percent annually. One percent is the sole contribution of Africa's largest economy, South Africa (Mills 2002: 86-87). Within the context of African economic integration, intra-trade in Africa is at the lowest levels in the world. The WTO put intra-trade in Africa at just eight percent, while other economic regions are about 60%. This implies that protectionist trade policies that the developed states use to subsidise their

industries against export of developing states cannot be liable for Africa's economic decay (Ryan, 2003: 20; Mills, 2002: 86-87). In addition to the overwhelming debt and lack of economic integration, Africa has the highest capital flight in the world. It is estimated that at least US \$ 150 billion has left Africa since independence (Mills, 2002: 88). A recurring systematic behavioural dynamic throughout Africa is the interlinked increasing donor dominant role in developmental activity along with the retreat of the African state from what were once considered its central functions. Mainly due to debt, many African states are so dependant on aid that it makes up more than a fifth of the total African GNP. Consequently, most African states lose their legitimacy as NGOs, donor states, and ex-colonial states take advantage of this vulnerability (Jackson & James 1995:13; African Economic Outlook, 2004: Internet; Van de Walle, 1999:100-101).

The irony of Africa's appalling economic condition is that the continent should be in economic prosperity. Africa is blessed with an abundance of rich mineral and natural resources. The continent has 50% of the world's uranium and phosphates, 40% of the world's platinum and 90% of the world's cobalt. In addition, there is a bulk of lucrative diamonds in West Africa and Southern Africa that make up 50% of the world's share. Furthermore, oil reserve fields have been recently discovered in Sao Tome and Principe, which, when placed alongside Nigeria, Libya and Angola, enable Africa to produce millions of crude oil barrels per day. Moreover, the continents huge navigable rivers could be used for transportation; they have 40% potential hydro-electric capability. In the agriculture industry Africa has 50% of the world's share in coffee and palm oil (Ayittey, 1999:1-6).

This chapter will analyse the challenges and prospects of the NEPAD strategic plan's aims to put Africa on a pathway to a sustainable economic growth with features of poverty reduction, increased employment, and viable African economic integration.

This will be examined in the light of a partnership with NGOs, MNCs, IGOs and the developed states. The following issues will be analysed. First will be

how Africa could intensify favourable economic integration within African states, and particularly between sub-regional organisations. The second area pertains to how this could position Africa favourably in international trade. Thirdly, the chapter will probe how the staggering African debt could be reduced, in order to promote economic growth. The final point of analysis pertains to how the APRM could be a prospective mechanism to lure FDI and promote economic integration and growth.

5.2 African Economic Integration

On sub-regional and regional economic approaches to development the NEPAD strategic plan recognises that most African states have small economies, therefore they cannot effectively compete in the international economy. The economic conditions that are typical of Africa raise a need for African states to pool their resources and enhance regional development and economic integration in order to compete effectively in the international economy and create and sustain economic growth (NEPAD plan, 2001: Internet, par. 93-94). Economic integration places great emphasis on the distinction between trade creation and trade diversion. (Cheru 2002:123-124; 126) maintains that trade creation applies to a situation in which production services are shifted from a high cost producer or supplier to a lower-cost subregional or regional supplier. He stresses that the development integration approach focuses on the need for a macro and micro policy partnership in a multisectoral programme that encourages production, building of infrastructure and intra-trade within the member states. Development integration encourages the following:

- Close political integration and co-operation,
- Equitable balance of the benefits of integration,
- Co-ordinated regional industrial development,
- Funding for least developed member states,
- Longer period to reduce tariffs, and
- Macro policy to be achieved in the early stages of integration.

The development integration approach is more relevant to the NEPAD plan and complements the APRM on economic development. In order for the NEPAD strategic plan to be able to encourage economic integration much emphasis should be placed on the development integration approach (NEPAD plan, 2001: Internet, par. 153-155; APRM, 2003(a): Internet). The NEPAD strategic plan seeks to increase private sector capital flow to Africa as this is an essential component of a sustainable long term approach to economic growth. In this light, the NEPAD strategic plan prioritises public-private partnerships through the structuring and regulation of transactions in the provision of infrastructure and social services (NEPAD plan, 2001: Internet, par. 154-155). In promoting the private sector investments to Africa the NEPAD plan's objectives are as follows:

- To ensure a sound and conducive environment for MNCs activities with an with emphasis on domestic entrepreneurs,
- To promote foreign direct investments and trade with an emphasis on exports,
- To develop micro, small and medium enterprises including the informal sector (NEPAD Plan, 2001. Internet: par. 166).

The above mentioned aims can be achieved through the following plans of actions:

- Undertaking measures to enhance the entrepreneurial, managerial and technical capacities of the private sector by supporting technical acquisition, production improvements, and training and skills development,
- Strengthening chambers of commerce, trade and professional associations and their regional networks,
- Sustaining dialogue between governments and MNCs to develop a share vision of economic development strategy and remove constraints to MNCs development,

- Strengthening and encouraging the growth of micro, small and medium scale industries through the provisioning of appropriate technical support from service institutions and civil society, and
- Improving access to capital by strengthening micro financing schemes, with particular attention to women entrepreneurs (NEPAD plan, 2001: Internet, par. 167).

The fact that the NEPAD strategic plan takes an approach that is in line with globalisation trends provides it with potential prospects for Africa's economic recuperation. The newly revived political will among African leaders has encouraged public-private partnerships, re-emphasised the AU's executive council role, and increased African intra-trade and the acceptance of the APRM by member states. This development by enthusiastic African leaders could revive the role of Africa in the WTO especially on trade related intellectual property rights.

5.2.1 Public-Private Partnerships

The NEPAD strategic plan states that public-private partnerships are essential since these have proved able to attract the participation of the public in substantial numbers. These partnerships could be effective in encouraging the development of infrastructure and social services (NEPAD plan, 2001: Internet, par. 153-154).

Chapter four of this dissertation referred to the popularity of the CNN factor under donor states, IGOs and NGOs which in most cases led to the worsening of the problem. IGOs, NGOs and the donor states should learn to form private-public partnerships in order to get the know-how of their environment. Since the formulation of the NEPAD strategic plan there has been visible success in public-private partnerships. This can be attributed to the reviving African leadership. MNCs led by Exxon-Mobil invested about US \$ 4 billion to extract oil from Chad. This could bring Chad about US \$100 million in government revenues to boost its infrastructure A partnership was established between the World Bank, Exxon-Mobil and the Chad government

stipulating that 80% of its oil revenues will be spent on Chad's social welfare and infrastructure (Hecht 2002:).

Since 2003 the West African sub-region has been greatly affected and influenced by the Sudan's Dafour crisis. Chad, which borders Sudan, has been directly affected by the refugees flowing from Sudan. However, this has not diverted Chad's resources to the Sudanese border. Cameroon has recently been included in the public-private partnership upon the opening of the Chad Cameroon pipeline in Kribi (Wroughton 2004: 8).

Another successful public-private partnership has been established in Nigeria. After Nigeria struggled for a long time to access and claim state financial assets that left Nigeria illegally between 1993 and 1998 through then leader Sani Abacha, it had to rely on partnership with the Swiss to achieve its aims. According to the Nigerian government over US \$ 2.8 billion, in cash, was stolen from state reserves by Abacha. Recently, Switzerland has agreed to return US \$ 500 million on top of the already returned US \$ 200 million. Nigeria has persuaded the Abacha family to return the rest and the Nigerian president has exerted pressure for the stolen assets to be returned. The government of Nigeria has promised that most of the returned money will be for social welfare and infrastructure development (Eriye 2004:15).

The AU's executive council could have an influential effect on the revival of the African economy. The executive council has the institutional capability to revive the economy of Africa.

5.2.2 Executive Council

According to article 13 of the AU's Constitutive Act, the Executive Council should co-ordinate and take decisions on policies in areas of common interest to the AU member states. Among these common interests are

- Trade,
- Forestry, agriculture, and production, and

Science and technology.

What is more, Article 14 of the Constitutive Act of the AU establishes the specialised technical committees that are responsible to the Executive Council. The committees deal with the following:

- Rural economy and agricultural issues,
- Monetary and financial affairs,
- Trade, customs and immigration,
- Education, culture and human resources,
- Transport, communication and tourism,
- Industry, science and technology,
- Health, labour and social welfare issues, and
- Natural resources and environmental issues (Constitutive Act, 2001: Internet).

The Executive Council could enable African states to formulate common policies that could make it easier for MNCs, entrepreneurs and other actors to invest capital into Africa. Intra-trade could in the process be accelerated. One of the means of boosting economic growth inside a country and between countries has proved to be economic interdependence through intra-trade (Brittian 1998: 7-8).

5.2.3 African intra-trade

The implementation of intra-trade within Africa is on the increase due to a trend led by South Africa, Africa's largest economy. The NEPAD strategic plan demands that economic policies of African states should converge and facilitate African integration. In this context, South Africa's FDI through Africa attains political importance beyond its economic impact (Miller 2004: 22).

Intra-trade through FDI, mainly by MNCs, in Africa should be encouraged because it has the following advantages:

- Competition between foreign and local companies result in lower prices and higher quality products and services, both of which benefit customers,
- MNCs bring with them the technological and administrative expertise beneficial to the host state's citizens, and
- FDI implies that money flows into a state's economy thus allowing that country's government to spend state money on other economic development and social welfare programmes

(Jackson & Sorensen, 1999: 479).

FDI to most of Africa decreased in the late 1990s. In the same period, however, South Africa's investments increased from US \$ 23 million in 1994 to US \$ 1.7 billion in 2001. This increased FDI makes South Africa the biggest in Africa. These investments are predominantly in the financial, retail, tourism and mineral resources sectors (Lebelo, 2003: 9). It is expected that South African FDI will increase to Africa in the future, and that and other African states will soon follow the trend. More than 60% of international trade occurs within regional blocks. Developing states, such as those in Africa, should intensify their intra-trade in order to increase their share in global trade enabling them to successfully compete in the international economy (Chinsinga 2001: 61).

To synchronise with globalisation trends the NEPAD strategic plan should consider that entrepreneurship in Africa takes different forms and shapes; there exist thousands of locally initiated self-help experiments in villages all across the continent. Peasants now market their produce and livestock through their own channels, disregarding political boundaries and market boards, as can be seen in the case of the Peasants Association of Kalack in Senegal (ADAK). ADAK established trade agreements with local and sub-regional located farms which allow the Association to exchange products without being taxed by governments or paying customs levies. Such initiatives should be encouraged rather than being subjected to the usual governmental interference (Cheru 2002: 110). African leaders are beginning to identify

strategic plan areas of intervention together with NGOs, IGOs, MNCs and developed states in order to strengthen the contribution of trade to the continent's revival. The WTO represents a strategic area for African leaders to revive the economy of their respective countries. Trade Related Intellectual Property Rights (TRIPS) could contribute greatly to the economy of Africa (NEPAD plan, 2001: Internet, par. 171).

5.2.4 Trade Related Intellectual Property Rights (TRIPS)

Although the UN convention on Biological diversity, ratified by 183 states, acknowledges the sovereignty of states over their genetic and biological resources, the absence of adequate laws has left Africa and other developing states open to bio-exploitation. TRIP only serves the interests of developed states and it leaves indigenous people vulnerable in Africa (Commey 2003: 12-13).

One African ethnic group may possess a mutant sickle-shaped gene that makes them immune from malaria, and in their case, African authorities have been successful in preventing MNCs from tapping into their genes. In the past there have been unfortunate events for Africa such as the one pertaining to the Swartizia a perennial non-climbing shrub which is used for wood, toxin or According to the Southern and Eastern Africa Trade and medicine. Information Network (SEATIN), the US patent 51929124 on anti-microbial shrubs was improperly granted to the University of Lausanne, Switzerland. The SEATIN believes it is the property of Zimbabwe (McGirk, 1998: 48-52; Commey 1998:15). Here, globalisation placed NEPAD in a complex position. On the one hand, the NEPAD strategic plan endorses liberalism therefore open trade and partnerships with the NGOs, the MNC and the developed states. On the other, the uneven benefits which ensue from TRIPS could compel AU member states to oppose NEPAD's policies in this regard. (McGirk 1998: 48-52). The WTO represents a podium for African states to voice their objections and recommendations on issues of concern surrounding TRIPS. African state memberships at the WTO have increased from 34 in August 2003 to 41 by April 2001 (WTO, 2004: Internet). The APRM, as a

detailed code of conduct, adds much needed credibility to attempts at reviving the collective African economy (APRM, 2003(a): Internet).

5.2.5 APRM on economic overview

The success of the African economic revival is evidenced in the increase of APRM member states over a short time. In May 2004 there were 19 African member states, and by August 2004 24 African states had accepted the APRM. It is expected that by the end of 2004 more African states will have joined the APRM. Figure 5.1 shows that African states that have accepted the APRM are found in all of Africa's sub-regions.

Figure 5.1

African states that have acceded to the APRM

Algeria	Congo	Malawi	Rwanda
Angola	Egypt	Mali	Senegal
Benin	Ethiopia	Mauritius	Sierra Leone
Burkina Faso	Ghana	Mozambique	South Africa
Cameroon	Gabon	Nigeria	Tanzania
	Kenya		Uganda
	Lesotho		Zambia

Chapter four of the dissertation showed that African states need to institutionalise democracy and good governance focusing on political accountability and transparency. The APRM, in this chapter, will show that economic accountability and transparency should be institutionalised in order to render the economic revival of Africa possible. (NEPAD plan, 2001: Internet, par. 7; APRM, 2003 (a): Internet).

One of the lessons that African leaders have learnt is that when elephants fight tusk to tusk it is the grass, (i.e. the people) who get trampled on. But few have asked where the elephants get their tusks from. The APRM encourages APRM members that they should be accountable and transparent in all economic activities (Brummer 2004: 4; APRM, 2003 (a): Internet).

Globalisation has made FDI a successful economic activity; therefore, the NEPAD strategic plan views the FDI as a mechanism for reviving Africa's economy. There are a few exceptions that, nonetheless, suggest otherwise; these should be reviewed by the APRM. NGOs have long maintained that the MNCs and some African states intentionally prolong civil wars in other African states for economic benefits through the sale of arms and other resources.

This prompted the UN security council to investigate the relationship between the exploitation of natural resources and other forms of wealth in the continuous conflict in the DRC (Brummer 2004: 4). The APRM does not clearly state where economic accountability and transparency start and end, a factor which leads MNCs like MTN, De Beers, Krammer to emphasise that they cannot be held accountable for the actions they did not directly conduct. The MTN corporation can claim immunity from responsibility for the actions of the Rassemblement Congolais pour la Démocratie (RCD) strengthened by reliance on the MTN network, which reaches the rebel's territory, to communicate easily with the outside world (Brummer: 4 -5); APRM, 2003(a): Internet).

Assertions of neutrality became problematic after the 11 September 2001 attacks on the USA, and in a world where terrorism is a high priority security issue for the USA and Russia. After the 11 September attacks the USA has been in an even more dominant position than before. Given the realistic recognition of the USA's position as the hegemon in world affairs, the world has now been placed in a situation of choosing whether to support the US war on terror or be against it. In this view MNCs, NGOs, African states and others cannot claim to be neutral or unaccountable for the effects and circumstances of their economic actions (Cox 2002: 261-276).

AU institutions such as the PAP and the General Assembly can make recommendations to the UN Security Council for the imposition of economic sanctions to state and non-state actors deemed terrorist by AU member states because of their contribution to terrorism (APRM, 2003 (b); Constitutive Act

2001: Internet). The attempt by African leaders to revive the decaying African economy has shown tremendous success over a short period. Since the inception of the NEPAD strategic plan African leaders have shown willingness to integrate their economic activities through intra-trade.

Nigeria has been able to recover financial assets amounting to billions in US dollars stolen by Abacha from the state reserves and deposited in his personal capacity in Swiss and other banks. In the international economy African states have increased their membership and participation at the WTO. African member states of the WTO could have an economically prosperous effect when they put pressure for the ratification of global issues such as TRIPS, in addition to the increased credibility of accepting APRM. The number of African states accepting the APRM has increased from19 April 2004 to 24 August 2004. The APRM could serve as a mechanism to lure FDI to Africa because it emphasises economic accountability and transparency. There are, however, obstructive factors that are prominent throughout Africa that could slow down the progress in the economic revival of Africa. These factors include:

- Strong trade links with ex-colonial states,
- Nationalism, and
- Unfavourable economic policies.

5.2.6 Strong trade links with colonial states

In Chapter three, of this dissertation it was proved that during the colonial era Africa's economy was designed to serve and depend on the European states. Most of African territories were economically structured to export a few cash-chops and mineral resources to Europe. Little changed when African colonies become independent states and the structure of their economies were not revolutionised in order to move away from a colonial economic structure.

In the 21st century, as shown in the addendum, Africa's economy has not changed from the colonial design. Most African states trade more with

European states, especially ex-colonial states, than with their neighbouring African states. There are a number of factors that contribute to this phenomenon, among them, aid programmes, and preferential trade agreements (Cheru 2001: 132; Ryan 2003: 20).

During 2002 the World Food Programme (WFG), the world's largest aid agency fed about 72 million people in 82 countries. However, WFG caused local suppliers to retrench labour in an effort to cut costs in the SADC subregion. WFG was approached to buy from local suppliers like SA's Chamber of Milling, but the offer was rejected because the donor states claimed that they do not provide money only the products. Meanwhile the people of the SADC continue when given a chance to take aid rather than buying products (van Huyssteen 2004: 15). In the words of George Soros, this implies that "foreign aid programmes are rarely effective and often counter productive. Generally speaking they are designed to serve the interest of the [donor] countries" (Mills 2002: 231).

The existing physical and financial infrastructure has been developed in Africa to encourage more trade with European states. Some African states can be accessed only via European flights (Ntuli, 2004: 8). In addition, aid programmes and preferential trade agreements have strengthened historical trade links with European states. Purchases from outside Africa's suppliers are linked directly to aid programmes that tend to favour imports from the donor state. Furthermore, technical assistance, capital and commodity aid are all linked to the donor states, all of which increases trade with the donor states (Cheru, 2002: 133).

Intra-trade in Africa is further distorted by preferential trade agreements such as the AGOA, the Lomé Convention, and the recent South Africa-EU trade agreements. Thus, African states export and import more from the European states because of lower tariffs and aid programmes, contributing to the belief among Africans that European products and culture are better than African ones, which heightens the demand for European made products further undermining African products (Ryan, 2003: 8).

The second obstacle to the NEPAD strategic plan to revive Africa's economy is ironically strong nationalism within African states and beyond. Globalisation has over the past decades intensified FDI, intra-trade within regional blocks and promoted economic integration. Although the NEPAD strategic plan endorses globalisation and its ideology as an approach to revive Africa's economy, the issue of nationalism can be seen as an impediment (NEPAD plan, 2001: Internet, par. 160).

5.2.7 Nationalism

According to Halliday (1998: 359-361), nationalism as a belief-system, ideology, political movement has been one of the formative processes in the formation of modern international relations. Nationalism concerns the distinct culture and history of the people; it is about how different people are from others. It involves the values of the people, ideas of how people should live and to whom they owe loyalty. The USA nationalism is linked with the Hollywood film industry, MNCs such as Nike, Ford and Microsoft, "Cowboys and Indians" culture, hip-hop as well with other USA nationalist symbols such as the USA flag. Nationalism exists in developed and developing states. This can be reflected in the demands of the people of a certain state for secession. In most of the states nationalism is evident in protests about free trade, immigration, xenophobia, and the growing resentment of foreign MNCs and the IGOs. The decision of the USA interest groups and other individuals in 2003-2004 to boycott some of the French products, because of the French government's opposition to declare war on Saddam Hussein's Iraq was mostly influenced by nationalism. Africa is no exception, because there is xenophobia among South Africans towards African people from other African states especially the Nigerians and Zimbabweans. South Africans believe those Africans are the reason for the increasing South African crime rate. Nothing therefore can be viewed as more contrary to regionalisation and globalisation than nationalism. Figure 5.2 reveals out the remarkable points that could impede NEPAD's approach for economic development (Halliday 1998: 359).

Figure 5.2 Shows nationalism can be an obstacle to globalisation

Globalisation and Nationalism Factors opposing Nationalism Factors promoting Nationalism Shared development Hostility to immigration **Economic integration** Loss of control to foreign investors Migration Travel and tourism Fears of unemployment Fears of terrorism Global threats World-wide communicators Xenophobia End of economic sovereignty Attractions of secession Resentment of IGOs and Employment to а foreian country **MNCs** Hostility to international media

(Halliday 1998: 361).

In Africa, South Africa's MNCs are beginning to dominate the respective economies. This trend could put local firms and industries out of business, if South African MNCs make it a habit to buy host's suppliers out. Furthermore, if South Africans buy up estate property in large numbers through Africa, their hosts could interpret South Africa's presence as a threat to property rights and ownership. There is a view among Africans on the rest of the continent that South Africans are investing in Africa to control Africa. This could impede the NEPAD plan in increasing economic integration and interdependence among African states (Daniel, Naidoo & Naidu 2003:14 -16).

On the international arena Africa's nationalism collectively and individualy could form an obstacle for economic growth. In South African, for example, nationalism and globalisation are already contentious issues, as it is reflected by some the Worker's Unions activities. The Southern African Clothing and Textile Worker's Union (SACTWU) has been encouraging South African retailers to buy locally produced clothes. SACTWU believes imports especially

from China, are the leading cause behind retrenchment in South African's clothing industry. Chinese imports are affordable for the South African retailers and hence constitute 75% of South Africa clothing imports. However, China has a low Human Rights record which allows it to have an unfair advantage because it can exploit labourers with long hours and low wages. Economic integration in Africa could lead to increased exploration of the above mentioned issues, and within these, concerns about the basic Human Rights for the workers of any WTO member state. Those WTO member states that do not comply with basic Human Rights for workers, can be faced with hostile protests from hostile union workers (Grebe, 2004: 24; Brittan 1998: 7-10).

African leaders could find a way of down playing nationalism both within African and internationally. A more serious threat to the revival of Africa's economy is the continuing presence of unfavourable economic policies.

5.2.8 Unfavourable economic policies

According to Van de Walle (2001: 80) trade protectionist policies throughout Africa remain higher than in other regions of the developing world. Tariff rates in Africa escalate to an excess 25% while Africa as a region continues to be the sole part of the world where open trade has not increased during the last two decades. There are numerous irrelevant bureaucratic barriers to intratrade within SADC-COMESA sub-regions; these range from import controls and export licensing to customs hold ups to restrictive exchange controls (Cheru 2002:130). In Zimbabwe the government announced its intention to nationalise 50% to privately owned mines, an action which, along with those listed below, reveals the reality of African economic policies. These realities mean:

- Electricity supply is erratic, telecommunication service is insufficient,
 water, sanitation and transport facilities are inadequate,
- Air travel is limited as some African states can be only accessed via Europe,

- Absence of effective legal and investor friendly regulatory mechanisms,
- Economic policies between sub-regional organisations such as the SADC, COMESA and ECOWAS have different views and practices instead of one.
- Property and ownership rights are vague (Ntuli 2004: 8; Seccombe & SAPA-DPA 2004: 1-2).

Lastly, Africa has a shortage of skilled labourers. Skilled Africans are a vital component to Africa's revival of the economy. The Economic Commission on Africa (ECA) and International Labour Organisation (ILO) report estimates that about 70 000 skilled Africans had left Africa by 1987. Lack of favourable economic policies and political decay is the main cause of Africa losing large numbers of skilled Africans. Chapter three showed how most African states landed themselves in enormous debt and continued on impementing economic policies that consequently caused their economies to collapsed (Cheru, 2002: 130-131).

The NEPAD strategic plan faces obstructive factors that could possible slow down the economic revival of Africa. These obstructive factors include:

- The existence of strong trade links with the ex-colonial states,
- The dilemma on nationalism and globalisation, and
- The prominence of unfavourable economic policies.

Most African States, including South Africa, continue to hold colonial trade links; this situation exacerbates the economic dependence of African states on Europe and decreases economic integration in Africa. Nationalism in Africa could contradict the aims of the NEPAD strategic plan which endorses globalisation. Nationalism is hostile to globalisation because it could lower the already low intra-trade level between African states. Lastly, the extensive practice of adverse economic policies in Africa reveals the double standards of African leaders.

The debt crisis, a core part of Africa's problem since the 1970s, is destructive to Africa's economic revival is the debt crisis. By 2003 Africa's debt stood at US \$297 billion, an average debt/GNP ratio of 47, 6% (Africa Economic Outlook, 2004: Internet).

5.3 The debt crisis in Africa

Chapter three of the dissertation explained how Africa slid into staggering debt from the 1970s from the 1980s. Despite the economic restructuring by the IMF and World Bank SAPs, there was little improvement in scaling down the debt. A minimum debt in Africa could easily allow the economy to grow; more government revenue would be available for social welfare and economic development programmes. By the 1990s Africa's debt stood at US \$ 341 billion and accounted for 69% of the GNP. Consequently, 25 African states were classified as Highly Indebted Poor Countries (HIPCs) (Cheru, 2002: 17).

The debt factor has impoverished Africans even though by 2003 Africa's debt had dropped to US \$297 billion. 12 African states have large sections of their populations ranging from 60% to 80%, living below the poverty line of less than US \$ 1. According to the United Nations Conference on Trade and Development (UNCTAD), Africa received about US \$ 540 billion in loans between 1970 and 2002. It has paid close to US \$ 550 billion to date, and still owed US \$ 297 billion at the end of 2003 (African Economic Outlook, 2004: Internet; UNCTAD, 2004: Internet; NationMaster, 20004(c): Internet).

There have been numerous efforts from IGOs, NGOs and the developed states to assist Africa to less strenuous debt-servicing, mainly through aid and debt relief.

5.3.1 Debt relief in Africa

The NEPAD Strategic plan's long term objective is to connect debt relief with poverty reduction outcomes. The aim is for African leaders to secure agreements negotiated with the creditor states and IGOs such as the World

Bank and the IMF to provide more debt relief for African states that implement the NEPAD plan (NEPAD plan, 2001: Internet, par. 149-150).

Some IGOs and NGOs have long realised that prolonged payment of debt has no constructive immediate result. The UN and NGOs have recently appealed to international state actors and non-state actors for aid to 21 states that were in human insecurity crisis; 17 of them were African states (MacAskill, 2003: 22). However, since the end of the Cold War, and after the 11 September 2001 attacks on the USA, they are beginning to think twice before supplying aid or debt relief fearing that they might indirectly assist terrorists/sabotage. The matter of debt relief is complicated by the fact that Africa is the only region that has received more aid with a 36% increase between 2001 and 2004 (African Economic Outlook, 2004: Internet).

An alternative to debt relief is that of total debt cancellation, propounded by NGOs such as the Jubilee 2000, and IGOs such as the UNCTAD, who have called for the total cancellation of African debts. They maintain that Africa cannot achieve long term economic plans when compounded by the staggering debt. Further, Jubilee 2000 claims that the debt in Africa was mostly incurred by dictatorship governments, and should, therefore, be deemed illegal. This idea could lead to overspending all over the developing world because the respective leaders would assume that their debts would be eventually cancelled. Unconditional debt cancellation would imply that those state officials who took their respective states' financial assets and converted them into personal assets have been granted immunity. Furthermore, creditor states would have to increase tax from their taxpayers (Jubilee2000, 2004: Internet).

Privatisation of state assets could be another alternative to debt relief for African states. Although Chapter three explained how impossible it was for African states to privatise under SAPs during the 1980s, the NEPAD strategic plan could formulate privatisation mechanisms through the institution of the AU that could suit the African economic situation.

5.3.2 Privatisation of African state assets

Privatisation of state assets in Africa can no longer be under debate. It is a matter of necessity. The lessons of state owned companies and state controlled economy have long been learned. Why should an African state want to control the economy and own a majority of properties when revenue can easily be collected through tax incentives, freeing the state from dealing with daily changing prices that could cost the tax payers billions per year (Sparks 2003: 173).

Privatisation of state assets has the following constructive effects:

- It brings money to the fiscals,
- It relieves the state of the financial burden of running state owned companies,
- It sends constructive signals to international investors that there is commitment to market oriented economic policies,
- It lowers the prices of products and services in the economy while competition improves the quality of products and services for the customers, and
- Tax payers money can be spent on social welfare and economic development programmes rather than bailing out indebted state owned companies.

Privatisation does not imply the state will abdicate on its obligations. It implies that the state has fewer financial constrains and that it can, therefore, comply with its obligations of making and implementing policies that lead to economic and political development to the benefit of its citizens (Leon 2004: 16).

In conclusion, Africa should take note of the words of the Nobel-prize winning economist Milton Friedman who made an important point on the links between political development and economic growth believes that political development is necessary for a state's economic growth. Independent and free media is vital for a free market because it allows people to make informed decisions.

This implies that economic revival in Africa, in accordance to the NEPAD strategic plan, cannot be implemented while Africa practices dictatorship with hostile economic policies (Ayittey 1999: 228).

5.4 Conclusion

This chapter has provided proof of the success of African leaders' attempts to revive Africa's economy through the NEPAD strategic plan. Since the NEPAD strategic plan was adapted by the AU there has been visible willingness from African states to integrate their economies and intensify intra-trade. South Africa, the continents' largest economy, has taken the lead in investing in Africa and has since become the biggest investor in Africa. This could assist the NEPAD strategic plan to realise its long term objective achieving African economic interdependence.

Symmetrical partnerships with the developed states, NGOs and the MNCs have been showing progress in reviving the economy of Africa. Nigeria could recently recover state financial assets after it formed a partnership with the Swiss government, Swiss banks and other financial institutions and the Abacha family. Positive changes in Africa, especially over the last five years have established a greater degree of goodwill towards and acknowledgement of success among the G8 countries for projects that have been initiated by Africans themselves.

The economic marginalisation of Africa could be a thing of the past since membership of African states at the WTO has increased. This could imply that African states can form a strong strategic entity. One of the issues in which Africa has a common interest is the issues related to TRIPs. The Executive Council of the AU is the institution that could deal with Africa's concerns over TRIPs. Inside Africa, the Executive Council could pressure and recommend the formulation of common economic policies to the sub-regional organisations. MNCs should not always have the upper hand to subject Africa to their demands before investing and Africa should inform the MNCs of its economic policies. The APRM has recently increased its member states from 19 to 24 within a period of four months. The APRM could lure more FDI;

encourage intra-trade between African states especially between sub-regional organisations and position Africa as a region that practices market oriented economic policies.

There are, however, obstructive factors that are prominent throughout Africa that could slow down the progress of economic revival in Africa. These factors include the strong trade links with European states; the bad effect nationalism could have on regionalisation and globalisation; and the presence of unfavourable economic policies.

Most African states, including South Africa, continue to hold on to colonial trade links with their ex-colonial states and even those African states that do not, still trade more with Europeans. More than 64% of African states import and export to and from European states and other non-African states. This places NEPAD's objective of African economic interdependence on hold. Secondly, nothing can be seen as more contrary to regionalisation and globalisation than nationalism since it is hostile to FDI, and ultimately intensified intra-trade in an objective to achieve economic interdependence. Lastly, African states continue to practice unfavourable economic policies in spite of membership to the APRM. Some African leaders show double standards when it comes to implementation, with vague economic policies on private ownership and national economic policies which do not link with subregional organisations economic objectives and/or the NEPAD strategic plan.

The most destructive factor to Africa's attempt to revive it economy is the debt crisis. The NEPAD strategic plan's long term objective for negotiating extensive debt relief from the creditors shows a lack of insight into the reality among African leaders. Debt relief has historically achieved little to no effect in the economy of Africa. Privatisation of state assets in Africa will take the titanic debt burden off the state, and it is thus a necessity in order to minimise the debt in Africa.

CHAPTER 6

CONCLUSION: CLAIMING THE 21ST CENTURY

Globalisation towards the last quarter of the 20th century has brought great advances in methods of organising economic and political activities throughout the world. Rapid improvements in the fields of science and technology, international trade and international to regional compacts on political and economic policies have been influencing and affecting every part of the world. These advances have been accompanied by shifts in the international politics, notably with the collapse of communism in Eastern Europe and the USSR, which signified the end of the Cold War between the USA and the USSR. The end of the Cold War unleashed a tremendous, growing demand for democracy across the world, including Africa. This has been accompanied by the need for closer regional co-operation and integration. In addition, in the 21st century the world entered the new millennium in the midst of an international economic revolution characterised by a wider acceptance of the economic free-market system and an intensely growing interdependence mostly among states and MNCs. No corner of the world has escaped the effects of globalisation. The distribution of the benefits and the contributions of the various regions and states, however, reveal a marked imbalance. On the one hand, economic globalisation has increased the opportunities of developed states and their various regions; on the other hand, it has led to further marginalisation of the developing states including African states.

Instead of being further sidelined and marginalised from the international forums and the global marketplace, Africa has devised a plan to adjust itself to the complex and now dominant liberal ideological trends of globalisation. The NEPAD plan presents a new and unique political and economic opportunity to African states to manage the internal and external threats facing Africa in the twenty-first century. In order for the NEPAD plan to achieve its objectives, it aims to define a far-reaching common denominator for African states in their

collective developmental aspirations within the context of globalisation. The plan is anchored on two-pronged sustainable partnerships between African states and the NGOs on one hand and the developed states and MNCs on the other hand. Furthermore, the NEPAD plan recognises that Africa's marginal position in the new international hierarchy provides a compelling reason for reorganising Africa's political and economic form of governance in particularly on policies. The end result could allow Africa to strengthen its capacity to become more assertive and increase its bargaining powers in international affairs and in global markets. Some of the influential African leaders, notably the presidents of South Africa (Mbeki), Nigeria (Obasanjo), Algeria (Bouteflika) and Senegal (Wade), have come to realise that it will serve no purpose to bemoan .the historic European colonial effect and present global forces without taking practical counter-measures at national and regional levels, to steer Africa out of political and economic decay.

In the preceding chapters, Africa's marginalisation and underdevelopment within the context of globalisation, was largely attributed to the persistent practice of bad governance and the failure of political and economic African leadership during the post independence era. These shortcomings had in the past seriously impeded effective mobilisation of resources for facilitating domestic development and attracting foreign investments.

The NEPAD plan is a turn-about from fruitless economic and political practices of the past and represents a new beginning. The imperative mark of the NEPAD plan is its encouragement of accountable political and economic leadership in order to promote democracy and good governance on the one hand and economic growth and poverty eradication on the other hand. Few or no state and non-state actors will take Africa's plan to revitalise its political and economic governance seriously if African leaders do not take responsibility for their own actions. The APRM is beginning to ensure that the AU member states comply with the NEPAD plan by reviewing willing members and recommend its findings. The implication is that the AU member states concerned could be held accountable for their actions and inactions before the PAP. In an event of non-compliance, a resolution could be passed

to request the UN Security Council to impose smart sanctions on that specific African state.

African governments, however, should acknowledge that democracy and good governance cannot be achieved unless these states are anchored in strong local and national institutions. Public officials will not be able to implement democratic policies if they are working in the context of corrupt and biased government controlled state institutions. Equally important is the effective citizen participation in their political and economic systems. For democratic principles to be taking root in Africa, checking the excess of state power, should be the duty of every African, individually and collectively.

It is within the above-mentioned policy framework that an effective two-pronged sustainable partnership between African states and NGOs on one hand and the developed states and MNCs on the other hand could be maintained. The reality is that partnerships with the international actors are mostly based on a principle of wait and see, because the international actors will attempt to avoid another 'CNN' factor and being name-called 'neo-colonialist' whenever they intervene. The reaction, therefore, of the international actors should largely be influenced by the collective requests and decisions taken by the AU member states through the PAP.

There are a number of factors that can enhance Africa's reintegration into world politics and economics:

- Africa should stop complaining about the how unjust the economic globalisation has become.
- They should collectively and individually be more assertive in future international and present negotiations and push for reforms that could benefit Africa.
- Global issues such as TRIPS could present Africa with economic prosperity.

- Making Africa's economic destiny more dependent on economic regional integration. This can largely be achieved through the promotion of African intra-trade and investment.
- The cornerstone to reducing the debt and eradicating poverty is economic liberalisation mainly through the privatisation of state owned entities. The APRM could, therefore, serve to lure the MNCs to invest in Africa's economy.

One of the great strengths of the NEPAD initiative rests on the fact that it centres on African ownership and management. African leaders have themselves set the agenda for the renewal of the continent. The agenda is based on national and regional priorities and a series of development plans that have to be prepared, driven and implemented on behalf of the African peoples by a committed African leadership corps in the Pan African Parliament of the AU through participatory processes involving the people.

The programme is a new framework of interaction with the rest of the world, including the industrialised countries and multilateral organisations. As the NEPAD plan attests, it is "based on the agenda set by African peoples through their own initiatives and of their own volition, to shape their own destiny (NEPAD plan, 2001: Internet, par. 47).

Based on these sentiments and inspired by the vision of making the twenty-first century "the African century", NEPAD should be able to harvest the support of all stakeholders and civil society once it is seen as a genuine initiative that will not exacerbate Africa's dependence and dispossession, but instead will deepen democracy and popular participation in a previously deeply divided African continent. NEPAD, as an integral programme of the AU, can become a major factor in building democratic cultural and political structures that empower people and realise the ideals of the African Renaissance by facing up to the reality of globalisation and a new world. Africa is no longer a lost continent but can proudly take up its place in

international affairs and guide its peoples into the 21st century. A new era of confidence and hope is indeed beginning to dawn over the African continent.

SUMMARY

The study deals with the role of the New Partnership for Africa's Development in launching Africa's political and economic revitalisation in the twenty-first century. The world entered the new millennium in the midst of a global economic revolution characterised by a wider acceptance of the liberal economic free-market system and a growing interdependence among states and markets. This redoubled the integration of national and regional systems of production and finance, causing growth in across-border flows of goods. Globalisation also intensified the trend of democratic governance and the need for regional co-operation and integration. However, the distribution of benefits and the contributions of the various states and regions show imbalances. On the one hand, economic globalisation has increased opportunities of especially the developed states and regions to expand access to goods and services, to broaden wealth, to acquire knowledge and skills, and improve the standard of living. On the other hand Africa has been dragging its feet as a result of bad governance and the failure of political and economic leadership, staggering debt and perennial underdevelopment. Consequently, the continent has been marginalised from the international political and economic mainstream.

The study aims to describe the aspects of Africa's underdevelopment that threaten the political and economic stability of the international political economy and to analyse and evaluate the New Partnership for Africa's Development plan within the context of globalisation by highlighting the links between democracy and good governance, legitimacy and political stability on the one hand, and economic growth, development, foreign direct investment and partnerships on the other hand. The socalled "NEPAD document" or strategic plan is used as the framework for an explanation of concepts and theoretical contexts against which the problems of underdevelopment, legitimacy, equal partners in international relations and the revitalisation of the African continent in a rapidly changing global environment should be viewed. In order to reach this stage, however, African states needs to accept and implement the principles endorsed by the NEPAD plan. This implies that Africa must firstly; comprehend the nature of the continents' marginalisation in international political economy and constant underdevelopment stemming partly from the European colonial era and partly from the post-independence era. Secondly, revitalise political governance in Africa by institutionalising democracy and good governance from grass root level and collectively and individually improve political regional integration mainly through the Africa Union. Thirdly, strengthen regional economic integration by means of intra-trade, investments, and united bargaining at international level such as the World Trade Organisation to promote economic development and the eradication of poverty mainly through the implementation of common economic liberalisation policies especially privatisation of state entities. Finally, African state should have their government's performance scrutinised by the African Peer Review Mechanism in order to strengthen their democracies and good governance, thereby attracting foreign direct investments. The study emphasises that the New Partnership for Africa's Development, is a unique and novel long-term strategic plan devised and endorsed by the African heads of state to squarely and proactively face up to the challenges of African development. In conclusion, it affirms the strategic role that the New Partnership for Africa's Development has to play in reintegrating Africa into the global political economy of the twenty-first century.

OPSOMMING

Die studie handel oor die rol wat NEPAD — die Nuwe Vennootskap vir Afrika se Ontwikkeling —te speel het in die politieke en ekonomiese hervitalisering van Afrika in die een-en-twintigste eeu. Die wêreld het die nuwe millennium betree te midde van 'n wêreldwye ekonomiese omwenteling wat gekenmerk word deur die breër aanvaarding van die liberaal-ekonomiese vryemarkstelsel en 'n toenemende interafhanklikheid van state en markte. Dit het die integrasie van nasionale en regionale produksie- en finansieringstelsels versnel en 'n toename in die oorgrensvloei van goedere meegebring. Globalisering het ook die neiging tot demokratiese regering en die behoefte aan streeksamewerking en -integrasie verhoog. Die distribusie van voordele en die bydraes van die onderskeie state vertoon egter wanbalanse. Enersyds het globalisering geleenthede verbeter van veral die ontwikkelde lande om groter toegang tot goedere en dienste te verkry, om rykdom te vermeerder, om kennis en vaardighede te verwerf en algemene lewensstandaarde te verhoog. Andersyds, het Afrika voete gesleep weens swak regering en die mislukking van politieke en ekonomiese leierskap, sy verbysterende skuldlas en voortgesette onderontwikkeling. Gevolglik is die kontinent uit die internasionale politieke en ekonomiese hoofstroom gemarginaliseer.

Die studie wil die aspekte van Afrika se onderontwikkeling wat die internasionale politieke en ekonomiese stabiliteit bedreig, beskrywe, en die rol wat die NEPAD-plan kan speel om die skakel tussen demokrasie en goeie regering, legitimiteit en politieke stabiliteit enersyds, en ekonomiese groei, ontwikkeling, buitelandse direkte investering en die vennootskapsbeginsel andersyds, krities te ontleed en te evalueer. Die sg. "NEPAD-dokument" of strategiese plan, word as raamwerk gebruik vir 'n verklaring van konsepte, uitgangspunte en teoretiese kontekste waarteen die probleme van legitimiteit, gelyke vennootskappe in internasionale verhoudinge en die hervitalisering van die Afrika-kontinent in 'n snel veranderende globale milieu beskou moet word. Ten einde hierdie stadium te bereik, moes die Afrika-state egter eers die beginsels aanvaar en implementeer wat deur die NEPAD-plan onderskrywe is. Dit impliseer eerstens, dat die aard van die kontinent se marginalisering in die internasionale politieke ekonomie wat deels uit die koloniale nalatenskap en deels uit die wyse waarop Afrika self met sy probleme in die na-onafhanklikheidsera omgegaan het, geïdentifiseer sal word. Tweedens, dat politieke owerheidsbestuur gehervitaliseer moet word deur die institusionalisering van demokrasie en goeie regering van voetsoolvlak af, asook deur die politieke, regionale integrasie, beide kollektief en individueel deur hoofsaaklik die Afrika-unie. Derdens, dat regionale ekonomiese integrasie bevorder sal word deur onderlinge handel, investering en gesamentlike bedinging op internasionale vlak deur o.m. die Wêreldhandelsorganisasie. Dit veronderstel ook die bevordering van ekonomiese ontwikkeling en die uitwissing van armoede hoofsaaklik deur die implementering van 'n gemeenskaplike ekonomiese liberaliseringsbeleid, in besonder met betrekking tot die privatisering van staatsentiteite. Ten laaste, sluit dit ook in dat Afrika-state hul regeringswelslae aan skrutinering deur die portuurevalueringsmeganisme sal onderwerp ten einde die beginsel van demokrasie en goeie regering te versterk en buitelandse beleggings te lok. Die studie beklemtoon dat die Nuwe Vennootskap vir Afrika se Ontwikkeling 'n unieke, langtermyn strategiese plan behels, ontwerp en onderskryf deur Afrika-staatslui self, om die vraagstukke rakende Afrika se ontwikkeling reguit en proaktief aan te vat. Ten slotte, herbevestig dit die strategiese rol wat NEPAD kan vervul ten opsigte van Afrika se herintegrasie in die globale politiek-ekonomiese sisteem van die een-en-twintigste eeu.

MAIN KEY WORDS

African Peer Review Mechanism (APRM).
Democracy,
Development,
Globalisation,
New Partnership for Africa's Development (NEPAD),
Partnerships, and
Regionalisation.

ADDENDUM

African main exports to other states

African state	European	African	non-European
Côte d'Ivoire	France	Mali	Brazil
Mauritania	France	Benin	Brazil
Senegal	France	Sudan	Asia
Morocco	France	E-Guinea	Asia
Tunisia	France	Nigeria	USA
Madagascar	France	DRC	USA
Niger	France	Gabon	USA
Comoros	France	Angola	USA
Liberia	Belgium		
Guinea	Belgium		
Uganda	Germany		
Ethiopia	Germany		
Algeria	Italy		
Cameroon	Italy		
Libya	Italy		
Chad	Portugal		
Sao Tome and	Portugal		
Principe			
Cape Verde	Portugal		
Tanzania	UK		
Zambia	UK		
Namibia	UK		
Seychelles	UK		
Kenya	UK		
Burundi	EU		
Rwanda	EU		
South Africa	EU		
Egypt	EU		

(Nationmaster, 2004(d): Internet; (Maloka and Le Roux, 2002: 60-61).

Figure 5.3 African states main import-partners

African state	European state	African state	European state
Djibouti	France	Ghana	UK
Nigeria	France	Kenya	UK
Congo	France	Nigeria	UK
Morocco	France	Angola	EU
Côte d'Ivoire	France	South Africa	EU
Senegal	France	Burundi	EU
Algeria	France	Egypt	EU
Tunisia	France	Eritrea	Italy
Mauritania	France	Libya	Italy
Comoros	France	Seychelles	Italy
Central African	France	Guinea Bissau	Portugal
Republic		São Tomé	
Madagascar	France	Principe	Portugal
Chad	France		
Benin	France		
Gabon	France		
Guinea	France		

(NationMaster, 2004(e): Internet; Maloka and Le Roux, 2002: 60-61).

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