

Part Four:

**Governance for a
Progressing Africa**

introduction



Governance, which includes not only the strengthening of democratic institutions and civil society but also peace-building, is of particular importance to Africa at this stage of its development. It is a prerequisite for sustainable development. It is also one of the priorities of the United Nations System-wide Special Initiative on Africa (UNSIAs). This 10-year programme of concrete actions to accelerate development in priority areas was launched in March 1996 to implement the UN New Agenda for the Development of Africa in the 1990s (UN-NADAF).

This chapter contains four selected speeches on governance delivered between December 1996 and June 1998 by Mr. Amoako, in which he identifies the key issues involved in promoting good governance, durable peace and sustainable growth. Mr. Amoako takes the view that improving governance is a multi-faceted development issue, and that the question for Africa is not whether to democratize, but how to democratize and at what pace.

The main challenges faced by African states striving to improve governance include strengthening democratic institutions, strengthening systems of sound economic management, raising the efficiency of public services, ensuring more effective donor support, and consolidating mechanisms for conflict prevention and peace-building. In addition to spearheading critical reform of institutions and processes at the national level, such as improving the transparency of electoral systems, African leaders seeking to build more capable states should also engage in a continuous dialogue on the political rationale for wider participation in governance.

While observing that a fairly broad consensus on the main elements constituting the capable state has been forged, Mr. Amoako asserts that one must be much less systematic in defining the means of creating capable states. This is because the process of creating a capable state is more art than science. The concrete ways in which the broad principles of governance are transformed into specific programmes, policies and actions cannot follow ready-made formulas. Although the suggestions and case examples of other regions are helpful, he states that it is Africans who bear the responsibility for taking action, including the tailoring of approaches to improving governance that have been adapted from elsewhere. Africa has its own experiences, its own best cases, and its own storehouse of culture and governance to draw on. Moreover, he argues, the key actors in society must embrace any reform process adopted by a state in order to succeed.

governance

In most of Africa, much more still needs to be done to promote good governance and an environment in which human rights are protected, individuals feel free, civil society thrives, and government is accountable, transparent, and effective. But many African states have begun facing up to the challenges of improving governance. Mr. Amoako predicts that Africa will overcome the obstacles with the bold mobilization of internal human resources, augmented by international cooperation.

Building Peace for the Future

In a December 1996 address to the International Peace Academy Seminar on "Peace-building, Peacemaking and Peacekeeping," Mr. Amoako discusses the key factors that must be taken into account in devising solutions for peace, including the high cost of conflicts, the economics of peace, and the importance of peace for development.

The media continuously provides us with intimate and detailed knowledge of the devastation and destruction, displacement and immense suffering caused by conflict. Our minds have catalogued numerous images of societies without peace: the bedraggled eight-year old boy barely able to hold his semi-automatic machine gun; a young mother mourning the death of her children; thousands of people walking away from war-torn areas on journeys which may lead them to death or to a future with no promise.

I am going to discuss several key factors that must be taken into account in devising solutions for peace: the high cost of conflict and the economics of peace; the importance of peace for development; the role of civil society in promoting peace; the benefits derived from involving women in the peace process; and the challenges for the future.

Throughout its post-colonial history, Africa has been devastated by conflicts and civil wars. In the past three decades there have been nearly 30 cases of civil strife in

sub-Saharan Africa alone. War and conflict have destroyed economic infrastructure, caused severe damage to the environment, and ravaged education, health and other social services. The cost of conflict has taken a great toll in human, economic, political, social and psychological terms.

Since the early 1960s, an estimated 10 million people have lost their lives as a result of armed conflict. The vast majority of these people were civilians. Nearly as many people have been handicapped for life.

At present Africa is home to of over half the world's refugees. In Rwanda, the humanitarian costs of the refugee relief operation during its first two weeks were nearly \$US2 billion. Comparatively, the net disbursed amount of official development assistance to Rwanda in all of 1992 was only \$333 million — about one-sixth of the amount spent on the relief operation in its initial two weeks.

In many countries, the costs associated with the massive and indiscriminate use of anti-personnel land mines are phenomenal. According to the International Red Cross, land mines kill 800 people and severely maim thousands each month. And land mines can continue to kill and maim long after a conflict has ended. The cost for removal of the over 100 million uncleared land mines throughout the world is estimated at well over \$4 billion.

The crux of this issue is that an economic and conciliatory role for all participants in society is far less costly than military involvement. Broad reviews of government expenditure are needed to help governments allocate and reallocate their public expenditure in the interest of economic and social progress. Governments incur huge opportunity costs when resources are allocated to the military. Spending extremely scarce capital on defence involves substantial sacrifice of other economic opportunities for growth and development — the neo-classical economists' "guns versus butter" debate on the allocation of limited resources.

In Africa, governments are channeling far too many resources to the military, and crowding out valuable civil investment. In sub-Saharan Africa alone, military spending rose from less than 1 per cent of GNP in 1960 to more than 3 per cent in 1990. At the same time, most of these countries were unable to provide adequate immunization coverage or universal primary education. Military spending as a percentage of combined education and health expenditure increased from 27 per cent to 43 per cent during 1980 and the early 1990s, respectively, for Africa as a whole. In contrast, the figures declined for industrial countries and other developing countries during the same period.

Demilitarization and cuts in military spending are essential preconditions for reviving civil society, reducing poverty, and sustaining development in Africa. In

addition to a reconfigured public expenditure mix, successful demilitarization requires disarmament, demobilization of forces, reduction of the arms flow, introduction of reintegration programmes, and a rehabilitation of critical infrastructure.

Military downsizing can increase security, build confidence, and reduce public fear. Macroeconomic reform programmes, linked to complementary reintegration programmes that train and employ ex-combatants, can revitalize the economy. In the short term, the economic dividends may be small, but in the long term, these types of programmes and the resulting public expenditure mix will lead to enhanced production of civil goods and services. Moreover, resources released from defence and available for investment in basic social services can yield higher payoffs. The potential peace dividend is high.

The importance of government policies that foster broad-based growth and reduce poverty cannot be over-emphasized. Poverty is the root cause of the social and political chaos that has afflicted Africa. As noted in *State of the World's Refugees*, published by the Office of the United Nations High Commissioner for Refugees (UNHCR), "A hungry society is an angry society, and angry people are often driven to destructive activities."

The success of peace-building and peacekeeping efforts also hinges on stepped up investment in institutions of governance. Three decades of conflict have discredited many African institutions of governance and destroyed much of the structure of civil society in affected countries. The United Nations System-wide Special Initiative on Africa (UNSI) counts governance as one of five broad areas of highest priority for Africa. The governance cluster, under the leadership of the Economic Commission for Africa (ECA) and the United Nations Development Programme (UNDP), will provide strategies and support for peace-building, conflict resolution, and national reconciliation.

Many blame the migration of large numbers of educated and entrepreneurial Africans to Europe and the United States for the absence of peace and lack of proper governance or confidence in governance structures. This "brain drain" has hampered Africa's ability to accelerate socio-economic development, and has made the continent perennially dependent on foreign technical assistance and expertise.

The importance of peace for development must be taken into account in devising solutions for Africa's problems. Without enduring peace in the region, there can be no economic development, and vice versa. Stability and security are prerequisites for sustainable development. Sustainable development, in turn, is a prerequisite for enduring peace. Years lost in conflict are years lost for development.

Persistent political and armed conflicts in Africa have severely constrained economic development, making the region the least developed of the world. But, most importantly, conflicts have resulted in missed opportunities. When the lives of human beings are threatened, productivity is minimized, if not totally abandoned. The outcome has been unparalleled human disasters rendering the region's population chronically vulnerable and dependent on international charity.

Economic development may be further constrained by the diversion of donor funds to disaster relief. Critics of aid to Africa suggest that disaster relief aid may be seen as a substitute for development aid. If this is the case, economic development slows and dependency on relief aid increases. This presents a compelling reason to accelerate our programmes to resolve conflicts and maintain peace.

The will of the general public can be one of the most powerful forces in securing peace, democracy, and good governance. An enduring peace requires a strong, viable and assertive civil society — a society that widens democratic space and facilitates opportunities for citizens to participate in political and social life.

Civil society has special responsibility for supporting and building alliances with civic institutions, fostering practices that encourage people to take responsibility for their own destinies, and educating the general population about the benefits of peace and good governance. In carrying out the educational aspect of this responsibility, civil society should encourage harmonious living, nurture a willingness to cooperate, and build constituencies for peace.

Furthermore, civic education in the formal school system can build positive social values and promote democratic governance. Educators should be encouraged to teach our African youth about the political history of their communities, principles of peaceful co-existence, and even negotiation skills. Teachers and community leaders should develop booklets, other printed materials and audio-visual aids that will inform students about the importance of good governance, respect for human rights, and peaceful means of conflict resolution.

In its renewed effort to serve Africa better, ECA has included the strengthening of civil society organizations as an integral component of its programme focus.

The mass media should be mobilized to promote the concept of peace, and facilitate consensus building. The United Nations Educational, Scientific and Cultural Organization (UNESCO), under UNSIA, plans to use radio broadcasting to convey messages that promote tolerance, democracy, respect for human rights, and peace-building. Similarly, ECA plans to build and strengthen our partnerships with both domestic and international media to promote peace-building in the context of

economic development. In a two-year plan, called *Engaging the Public through Mass Media*, ECA will disseminate development information via radio, train Africans to produce development-oriented radio programmes, and develop pilot radio programmes. Under this plan, ECA and its partners will also demonstrate ways in which new technologies can enhance existing broadcast facilities in a cost-effective manner.

At this juncture, I must underscore the benefits derived from involving women in the peace process. I firmly believe that we can achieve peace if we consistently involve women in peace negotiations, peace-building and peace management. Many women possess a negotiating and arbitration style that emphasizes open communication and willingness to compromise for peaceful co-existence. Women's fresh perspectives on decisions needed to bring about peace can enhance the peace process.

A significant body of research shows that in the last decade, women were consistently less supportive of the use of military force than men. In a 1996 study of attitudes towards the Persian Gulf War, for example, women were significantly less likely than men to favour the initiation of armed hostilities, more emotionally distressed by the onset of conflict, and more likely to favour the imposition of limits on conflict. We should support research that explores gender differences in interpretation of events leading to crises, the use of force, and strategies for creating stable peace.

These are not lofty or unrealistic recommendations. Women are stakeholders in the peace process. More often than not, women are the ones displaced and violated as a result of conflict. Women and children are our most vulnerable victims of conflict. Africa needs the participation, energy and commitment of its women in peace-building. There is no justification for excluding them. Male and female leaders, together, can anticipate and prepare for a peaceful society of the present and of the future.

In conclusion, I will attempt to outline our challenges for the future. Most importantly, we must remember that there is an economic dimension to peace. Peace-building is a process that is inseparable from sustained democratization and economic development. We need to recognize that politicians, civil servants and civil society organizations have critical roles to play in the success of any peace-building effort. Conflict effectively shuts off citizens from the economic development sphere and traps them in a vicious cycle of poverty.

Rapid economic growth and poverty reduction can contain and eliminate conflict. Governments need to commit to poverty-reduction policies and stimulate patterns of economic growth that distribute the benefits of economic development equitably.

We also need effective, fair, and accountable political institutions, equal access to political power for all citizens, full and genuine participation, free flow of information, and reduced defence budgets. Civil society organizations, indeed, have the potential to support the peace-building process and take on a wider role in development. ECA plans to facilitate dialogue between civil society actors and governments, and help foster networks of civil society organizations within and between countries.

Additionally, ECA and its development partners, such as the World Bank, will support demilitarization efforts by designing and implementing macroeconomic reform and reintegration programmes. These activities will complement the Organization of African Unity's (OAU) work in conflict resolution, prevention, and management and will further guarantee the maintenance of peace on this continent.

In summary, the achievement and maintenance of peace on the African continent will require determination and inexhaustible energy. As soldiers for peace, we must support preventive diplomacy. We must create conditions for development, support solutions that contribute to the continent's socio-economic health, and strengthen institutional capacities to deal with conflict.

Improving Governance and Citizen Participation

In an address to the International Conference on Governance for Sustainable Growth and Equity in the United Nations General Assembly Hall, New York on 28 July 1997, Mr. Amoako discusses the fundamental challenges that Africa faces in improving governance and the participation of its citizens in development.

With the rise of organized civil society in Africa and the end of the Cold War, the call for improvements to governance and democracy in Africa has become increasingly strong. Our development partners are adding to this demand, as is evident in recent Organization for Economic Cooperation and Development (OECD) Development Assistance Committee (DAC) reports on governance and participatory development, the World Bank's latest *World Development Report*, and the activities of the United Nations Development Programme (UNDP).

There is no question that the world has a right to pass judgment on the state of Africa's governance. And because in certain respects, we are last in the line of development, we can gain a lot by observing experiences elsewhere. Some governance experts suggest we adopt the discipline and firm stance of certain countries in East Asia. Others advise African states to emulate the open and liberal Western democracies. Some cite valuable examples from Latin America.

All of these suggestions and case examples are helpful. But it is Africans who bear the responsibility for taking action, including the tailoring of approaches to improving governance that have been adapted from elsewhere. Africa has its own experiences,

its own best cases, and its own storehouse of culture and governance to draw on. In addition, there are unique country-by-country challenges, each reflecting a history of complex intercultural relationships. And because political science is more an art than a science, even the most cutting-edge technical solutions will fail if unaccompanied by a new and higher practice of the art of politics. (See page 149, "Addressing Major Governance Challenges.")

I believe Africa faces six fundamental challenges to improving governance and citizen participation in development: institutionalizing mechanisms for conflict prevention and peace-building; nurturing democracy; transforming the relationship between the state and civil society; mainstreaming women in politics and public administration; improving the capacity of Africa's institutions and people for better governance and participation; and fostering a continuous dialogue among African leaders on the political rationale for wider civil participation in governance.

Africa's pressing need to institutionalize mechanisms for conflict prevention and peace-building is a major challenge to improving governance and citizen participation in development. Three decades of conflict have ravaged the governments, civil societies and institutions of a number of African countries. Although poverty may well be the root cause of Africa's social and political chaos, peace is the prerequisite for development.

Most African leaders acknowledge that the strife afflicting many of their countries is intolerable, and often a matter for regional attempts at conciliation and peacekeeping. The Somalia, Rwanda, and Liberia ordeals highlight the priority that should be given by the international community to preventing future crises.

The United Nations System-wide Special Initiative on Africa (UNSIA) places peace at the top of its agenda for the 1996-2005 period. Furthermore, the initiative addresses peace-building in a way that is totally consistent with both African and donor views. The initiative calls for the creation of a trust fund to ensure finance for peace-building activities of the Organization of African Unity (OAU). This approach is endorsed in the OECD Development Assistance Committee's recent *Guidelines on Conflict, Peace and Development Cooperation*. The guidelines urge donors to encourage regional organizations to develop comprehensive frameworks for promoting conflict prevention and peace-building and to support capacity-building that helps regional organizations serve as bridges between the international community and African states.

In a splendid act of leadership, UNDP has committed \$US3 million to jump-start the Special Initiative's trust fund. It would be grand if the trust fund could be firmly established by the time of Africa's second annual meeting on governance.

Nurturing democracy is a second challenge to improving governance and citizen participation in development. Recognizing that non-participatory systems of governance are no longer viable, Africa's heads of state have made democracy a key part of their collective agenda over the past seven years. The great majority of Africans are already voting enthusiastically for their representatives — at participation rates that would be the envy of several developed countries. It is no longer a question of whether African states should democratize but, rather, how to democratize and at what pace.

The consensus at the first annual Africa Governance Forum, held recently in Addis Ababa, was that democracy is a difficult process requiring vigilance and reinforcement, but it is absolutely essential to good governance. The Forum's agenda to bolster democracy includes the following recommendations for African states:

- Blend successful traditional systems and mechanisms of citizen participation with modern ways;
- Strengthen the institutions of democracy;
- Enhance public education on democracy;
- Establish indicators of progress towards improving the building-blocks of democracy (for example, political liberalization, transparent systems, the rule of law and human rights, and improved democratic structures).

For many African countries, narrow political considerations, personalized power, and corruption have undermined the process of democracy and responsive governance. Building an outstanding democracy will be a long-term process for some countries. Nevertheless, African civil society and Africa's international allies should establish an expectation that democracy can be universally achieved. Barring any gross threats to the survival of a state as such, this goal should be realized by all African states within no more than a decade.

In much of Africa, a fundamental transformation of the relationship between the state and civil society is a prerequisite for enduring democracies and good governance. Fortunately, civil society is flourishing in Africa. However, some African leaders see civil society organizations (CSOs) as political competitors that need to be controlled rather than empowered. State leaders should instead legitimize and recognize civil society organizations, foster their development by granting them political room for manoeuvre, establish policy dialogues, and collaborate with them in implementing development programmes in appropriate sectors.

Helping civil society contribute to the maturation of Africa's polity and economy is the continuing aim of the African Charter for Popular Participation in Development and Transformation. Sponsored by the Economic Commission for Africa (ECA) in 1990

and adopted by people's organizations, international agencies, and Africa's Heads of State, the Charter views popular participation as "a fundamental right of the people to fully and effectively participate in the determination of the decisions which affect their lives at all levels and at all times."

UNSI A also contains two pertinent civil society components: strengthening subregional civil society organizations that foster peace in Africa, and strengthening civil society organizations working on development.

Building on its past work and experience with CSOs, and in partnership with African governments, civil society organizations, and donor agencies, ECA established the African Centre for Civil Society (ACCS) in late 1997 to strengthen civil society participation in Africa's economic and political transformation. Seed capital from the government of Germany facilitated the launch of ACCS, and consultations continue with member States, other donor agencies, and key regional and national non-governmental organization (NGO) actors with a view to making the Centre fully operational.

Designed within the framework of UNSI A, ACCS is intended to strengthen the contribution of African civil society to development, and to facilitate its interaction with the UN system in Africa. In March 1999, a consultative meeting with major African CSO actors was convened to discuss and solidify modalities for fostering enhanced CSO participation in African development policy-making. The meeting established mechanisms for ongoing consultation and dialogue between CSO representatives and ECA.

Mainstreaming women in politics and public administration constitutes another major challenge to improving governance and citizen participation. In most African countries, the near exclusion of women from centres of power at the national, community and household levels has ensured wide disparities between the sexes in economic, social, and political spheres. Currently, women comprise fewer than 10 per cent of Africa's parliamentarians and hold an even smaller share of top appointments.

A fuller understanding of the links between responsive and effective governance and development reveals that governance lacking representation of both sexes is neither participatory nor inclusive, and thus cannot move a society forward. At the first annual Africa Governance Forum, participants agreed that the absence of women's voices and perspectives has contributed to an impoverished debate and, often, to distorted policies.

Mainstreaming women in politics and public administration will allow real gender partnerships to be forged. In order to be mainstreamed, women first must be empowered, for empowerment releases incalculable human resources for

development and good governance. Empowerment will enable women to become major and perhaps uniquely effective actors for peacemaking and peace-building in Africa. Men in leadership positions must join empowered women in speaking out for genuine gender partnerships.

The promotion of gender equality runs like a common thread through ECA programmes. The fortieth anniversary of ECA in April 1998 will provide an occasion to reflect on the enormous contributions of African women to the development of their countries. We will focus on the ways in which women and men, as well as individual governments and the UN, can accelerate the advancement of women towards gender equality in the twenty-first century.

The many country reports presented at the first annual Africa Governance Forum indicate that in order to sustain good governance, the entire range of governance institutions must be improved. These institutions include the legislature, the judiciary, political parties, and the human rights commissions and other monitoring organs within civil society.

However, we also must strengthen the capacities of people. Universally available education must prepare people to become voters, to participate in public discussions and to work together across traditional boundaries. Indeed, the DAC working group's recent statement on *Participatory Development and Good Governance* emphasizes the importance of affordable, effective, and sustainable education and training services, particularly for women.

Education for leadership is also important. We must pursue policies that help develop and sharpen people's technical skills, but we also must foster the political skills to operate with a wider vision. The politically skilled see people as assets rather than threats, and seek solidarity rather than division. The ways in which these political skills can be honed is less clear than the need for them. I hope this meeting will help develop approaches to this important human-capacity challenge.

Finally, I would like to discuss a sixth major challenge to improving governance: the need to foster a continuous dialogue with African leaders on the political rationale for wider civil participation in governance. Basic norms of good governance apply universally, but specific institutions and systems cannot be imported wholesale. The institutions and systems necessary for good governance must be designed to suit the specific characteristics of the environment for which they are intended. It is only in this way that the reform process will earn sustained commitment and effective political leadership. Moreover, the key actors in society must embrace the reform process.

At the first annual Africa Governance Forum, more than a dozen African countries reported on the various ways in which they are designing, implementing, and monitoring governance reforms. For example, the government of Ethiopia established a task force on good governance. Ghana recently organized a National Workshop on Governance drawing over 200 leaders from all major sectors. And Uganda has a very active media and civil society group which monitors and reports on good governance initiatives.

Leaders in a number of other African countries are less certain of the extent to which the public should take part in their governance reforms. These leaders perceive the key issues as centring on the political art of bringing about, with tolerable risks, systems that encourage new partnerships. One approach to addressing such issues has been employed by the Global Coalition for Africa (GCA) in its encouragement of “peer-learning” among top political leaders. The Coalition has found this approach useful in tackling issues such as corruption in politically practical ways.

In an earlier era in the West, Hobbes, Montesquieu, Rousseau and Locke provided an intellectual base for establishing enlightened guidelines for progress and the legitimized state. In Africa, we are now grappling with similar issues. We need states validated by their good service to citizens, their inclusiveness of all peoples, and their professional capacity to meet today’s needs while preparing for tomorrow.

In Africa, the challenges that we face in striving for good governance have become clearer. With the help of meetings such as this one, and with the bold mobilization of internal human resources augmented by international cooperation, Africa shall meet those challenges.

Addressing Major Governance Challenges

In a contribution to the International Round Table on “The Capable State,” sponsored by the DSE Development Policy Forum, World Bank/Federal Ministry of Cooperation and Development (BMZ), in Berlin, Germany on 8 October 1997, Mr. Amoako discusses major challenges to governance in Africa — strengthening democracy, providing efficient public services, and assuring more effective donor support.

Joseph Stiglitz, along with other great thinkers on governance, reminds us that governance is more an art than a science — perhaps the most complex of all art forms in the social sciences. In order to achieve good governance, a state must anticipate challenges to its well-being, provide and improve core public services, act as a catalyst for positive change, and guide the various forces in society towards harmony. The more “capable” states in the world demonstrate how the artful implementation of these tasks can lead to the attainment of the goal of good governance.

Naturally, the global community is concerned with the ways in which good governance is executed. Much of the global community’s discussion on governance issues centres on the obstacles to achieving good governance in Africa. Although Africa encounters more than its share of challenges to good governance, many African nations are beginning to face these challenges.

The focus of my discussion is on Africa, but I will bear in mind significant efforts

to improve governance in other areas of the world. One could argue that the magnitude of these attempts to reform governments is unprecedented since the creation of the nation-state. Such fundamental trends create a climate in which current challenges to governance present opportunities for advancement instead of posing insurmountable obstacles.

I am going to discuss three major challenges to good governance that I believe we must confront directly in order to foster the capable state in Africa: strengthening the components of democracy, providing efficient public services, and ensuring more effective donor support.

The challenge of strengthening the components of democracy is by no means exclusive to Africa. Many nations throughout the world still need to clarify how — or even whether — they will incorporate these most fundamental precepts of good governance into their political structures.

The first task that states aspiring to legitimacy and good governance must deal with is establishing constitutional processes and the rule of law. In conflict-ridden states, of course, the work of establishing acceptable governance can begin only after peace has been achieved. But once conflicts have been resolved, laying the base for governance will involve not only the mechanics of fashioning a constitution, but also establishing legitimacy for the government.

The experiences of many African states that have failed at these tasks serve as a reminder that establishing state foundations can be difficult. At the start of the century, any government firmly in power was generally considered to be a legitimate state. But as the century ends, society rightly expects that a state's legitimacy must derive from a fair and open consensus of its people.

Establishing legitimacy for military states is a special concern today. These states are faced with the formidable task of embracing democratic processes in order to establish political legitimacy, while simultaneously demilitarizing. The recent election in Liberia is a case in point. The election was effectively a referendum for peace, in that the winning party had previously posed the largest threat to peace — and might do so again, if not re-elected. This *de facto* military government must now transform itself into a constitutional civilian democracy if Liberia is to be accepted by the international community.

The second task associated with strengthening the components of democracy is fostering the political participation of all citizens on a working, day-to-day basis. This task goes beyond merely developing a constitution and installing a popularly elected government. It also requires that a nation abandon policies of political exclusion, and

incorporate all political parties, all language and ethnic groups, and women as well as men in the process of governance.

As demographic trends unfold, an increasing challenge to good governance will be to integrate the largest generation of adolescents in history into productive society while simultaneously expanding opportunities for the growing populations of older people. And this challenge will have to be met without helping one generation at the expense of another.

External groups can help developing countries with the task of fostering political participation of all citizens. Germany, for example, is providing guidance to many countries seeking to establish multi-party systems. And at its fortieth anniversary ministerial meetings in April 1998, the Economic Commission for Africa (ECA) will highlight the role of women in political participation, and how women's empowerment is essential to Africa's development.

Promoting civil society is the third task associated with strengthening the components of democracy. Creating regulatory frameworks that allow civil society to exist is not sufficient. States should also pursue policies that empower civil society.

Civicus, an international non-governmental organization (NGO) dedicated to promoting civil society, recently convened an important meeting of business, government and NGO leaders in Budapest. Three noteworthy reports released at the meeting discuss the work of international task forces in this area: strategies for promoting civil society, the legislative and regulatory environments necessary for a vibrant civil society, and how civil societies can mobilize resources for their work.

In sum, the basic challenges to strengthening democracy as a basis for good governance range from establishing peaceful states to including private individuals and civil society in political participation, and inviting these groups to share the responsibilities, duties, and benefits of good governance. Meeting these challenges is not the only important prerequisite to handling other governance issues. These challenges also cut across the full range of other challenges to good governance. Indeed, the policy and academic attention devoted to these issues to date has been seriously inadequate.

Donors have been active in addressing the core challenge that is associated with providing efficient public services: namely, increasing the capacities of institutions and individuals serving the state. Civil service reform is an important prerequisite to an efficient public service. This section of the speech will touch on two of the most important aspects of civil service reform: combating corruption, and the need to promote the use of information technology in this reform.

Corruption is a characteristic associated with a number of states, including many

in Africa. However, reforms that aim to improve government productivity and raise the standards of accountability generally encounter no opposition. Indeed, most Africans wholly endorse measures that reduce or remove corruption.

The battle against corruption is being fought with increasing determination worldwide. Notably, the Germany-based Transparency International is making major contributions to this effort. On the one hand, the battle against corruption is most often fought in culture-specific settings, often resulting in solutions that are not necessarily applicable outside these settings. On the other hand, there is a risk of taking too sweeping and generalized an approach in the battle against corruption. The most successful measures tend to adapt proven approaches by taking into account local societal forces, local legal traditions, and local political settings.

Similarly, we should be careful about establishing wholesale goals for civil service reform. Should the measure of success, explicitly or implicitly, always be a downsized civil service? Or should we be more discriminating, aiming to downsize in many cases while actually increasing parts of the civil service in selective circumstances? There are situations in which this latter course provides the best solution. For example, in some emerging states, some degree of success in providing public services must be demonstrated as quickly as possible to set the stage for achieving consensus on further reforms and to secure the political will to implement them.

In African and South Asian states, in particular, the major public service desperately needing attention is education, closely followed by health services. Improvements in education and health services are necessary to ensure economic growth. Moreover, public demand for these services is generally much greater than it is for other government services. To this end, education and health are at the core of the UN System-wide Special Initiative on Africa (UNSI/A), a historic programme of actions that calls on the entire UN System to participate in Africa's development over the next 10 years.

Information technology can be an important tool for increasing the efficiency of public services to support the cause of the capable state. Surprisingly, the concept of information technology is quickly gaining a foothold in some of the poorest countries in the world. For example, African leaders have asked ECA to promote an information society in Africa. One critical aspect of this work is establishing Internet connectivity in all African states, a goal that only a year ago was expected to take many years to achieve. In fact, through the work of many largely indigenous private firms and public institutions, most African countries will be connected to the Internet by the end of 1997.

The demand for computer and telecommunications services is growing at an amazing pace. Even in countries where there was initially fear or skepticism about

information technology, resistance is eroding. We are truly witnessing the start of an information technology revolution in the developing world. Nevertheless, only a few African countries (e.g., Egypt) have made the kind of institutional investments needed to promote information technology strategically and effectively throughout institutions of governance. Without more carefully planned and coordinated investments, there is a serious risk of losing many opportunities and making policy errors. The challenge for most developing countries now is to craft the best investment and regulatory policies for information technology in support of governance, particularly in sectors where information technology can quickly enhance public services.

Finally, I turn to a third major challenge to good governance: ensuring more effective donor support. After having served in the donor community for 20 years and, in the last few years, running an institution that includes technical assistance among its services, I know that donors frequently pick up on fads. At present, the concept of governance is in danger of emerging as yet another fad.

Up until now, donors have most often sought to help countries improve governance by providing technical assistance. This situation merits reflection, since the effectiveness record for technical assistance, particularly in Africa, is not particularly strong. In many cases, the frequency and velocity of recommended institutional and policy changes are more than the developing countries are able to absorb.

At the recent annual Tidewater meeting, an informal gathering of development agency heads, the chairman of the Organization for Economic Cooperation and Development (OECD) Development Assistance Committee summarized the discussions with the recommendation that the agency heads design a common framework “to support local capacity and local ownership of the development process.” “Efforts need to be harmonized,” he said, “and not all donors should necessarily do the same things. While pooling of resources may be difficult for some, pooling and coordination of efforts seems essential.”

In that discussion, many heads of donor agencies called for more explicitly country-owned strategies, and greater use of sectoral coordination among donors, to chart action according to agreed strategies. One possible outcome of such discussions may be the beginnings of donor agreements on sectoral practices and strategies for improving governance.

Although donor coordination has not yet been achieved, it does not mean we should abandon all aspirations for harmonizing approaches to governance. The donor community itself will determine the level and speed of progress on the issue of donor coordination. Discussing basic strategic approaches at country level in

donor groupings while promoting local ownership would be a worthwhile approach. And agreement should be reached, at least in principle, to establish a division of labour that makes it possible to match the most appropriate resources to the various needs.

It is with such considerations in mind that I close my speech. Essentially, two overriding concerns have been discussed:

- How we can embrace and help all the elements of society to benefit as we improve governance;
- How we can improve the quality of what we, as development agencies, do in fostering governance.

Strengthening Governance Practices

In an opening statement at the Second Africa Governance Forum sponsored by ECA and UNDP in Accra, Ghana on 25 June 1998, Mr. Amoako identifies seven steps to creating a capable state for a progressing Africa, and stresses two cross-cutting themes: ensuring sound economic management and combating corruption.

According to the standard way of addressing a forum on governance in Africa, one must urge states to be more accountable, responsible, and transparent, and to allow participation of all citizens. One can also earn polite applause by speaking about the need for states to create enabling environments. I intend to digress from this standard approach and instead, outline my view of the role of governance in the increasingly optimistic forecast of Africa's future.

All of us here today acknowledge that good governance is essential for the political and economic transformation of Africa. One of the fundamental challenges to improving governance is nurturing democracy. Reforms to engender more genuine democracy must overcome winner-take-all elections, end legal and material constraints to forming and running political parties, and end state repression of the opposition. For their part, opposition parties and movements must recognize their important role in the political spectrum, and cooperate in implementing reforms in a responsible and accountable manner.

Indeed, the issue for Africa is not whether to democratize, but how to democratize and at what pace. Many African states are now enjoying a transition to

democracy with increased momentum for improving governance. The spread of information technology, prospects for dramatic improvements in health, the empowerment of women and civil society, and the rise of more responsive and progressive governments are factors that are interacting positively to improve governance and enable us to plan our future on this continent with confidence. (See page 143, "Improving Governance and Citizen Participation," and page 149, "Addressing Major Governance Challenges.")

Before setting forth a clear vision of the future role of governance in Africa, one needs to reflect on the past. A noted political analyst recently observed that most post-independence African states have tended to fit into one of four categories: the patrimonial state, in which government officials treat the state and its assets as their own personal property; the predatory state, which sees its citizens only as prey for its greed; the shadow state, in which informal political networks run a shadow economy engaged in mainly illegal activities; and the collapsed state, in which citizens are left to their own devices. The existence of these four kinds of states has burdened us with a post-independence history of repression and dispossession, far from the rhetoric of our constitutions and the promises of our countries' founders.

Where there are lapses along the way to what are commonly stated aims, a fifth type of state can evolve in which its leaders impose sufficient repression to maintain power and keep their opponents weak, while adhering to formalities that give the appearance of democracy. Recent developments in Nigeria, one of our continent's most important actors, provide the opportunity for that country to move into the mainstream of the democratization process and avoid becoming a state fitting this fifth category.

None of the countries participating in this meeting is satisfied with these images of the past. Indeed, some of our political leaders have shown real determination and courage in insisting that they will serve only for as long as their respective constitutions allow. Such leaders should be applauded, and I would like to take this opportunity to single out His Excellency President Jerry Rawlings of this country for being so unequivocal on this issue.

The participant countries at this meeting seem to be evolving towards becoming states characterized by four attributes: the state as a political order, the state as a system of laws, the state as the embodiment of the nation, and the state as the property of the people.

There is little argument about what constitute the ends of the capable state. But one must be less systematic in defining the means of creating capable states — a process

that is more an art than a science. Capable states are crafted carefully, and states must learn successful strategies for creating capable states from one another.

I can identify seven steps to creating a capable state for a progressing Africa:

- In order to ensure sound economic management, we need to create a leaner, more competent and effective public service predicated on meritocracy rather than impunity, greater promotion of professionalism, and the enforcement of a rigorous code of ethics;
- We need to strengthen the institutional capacity of Parliament and its legislative committees, enabling them to play their checks-and-balances role effectively, and to enhance the skills of legislators;
- We should enhance the independence of the judiciary, in particular by promoting its financial autonomy;
- We need to build the capacity of our electoral systems to enhance their ability to organize free, fair and transparent elections;
- We need to create collaborative mechanisms to promote dialogue and to narrow differences between the opposition and ruling parties in order to enhance the national interest;
- We need to revive the collapsed state — a special challenge for several states on this continent, ranging in size from Liberia to the Democratic Republic of Congo;
- We need to combat corruption, an especially ingrained disease that requires special actions and probably a new set of tools.

Let me speak briefly on two cross-cutting themes: ensuring sound economic management and combating corruption.

The capable state has many obligations in the area of ensuring sound economic management. Some of the more important obligations include ensuring a stable macroeconomic environment, designing and implementing poverty-reduction policies, successfully convincing the political leadership of the urgency of acting on key policy matters affecting the economy, and providing space for all stakeholders to contribute to and benefit from the nation's economy.

A discussion of state responsibilities in the area of economic governance would not be complete without mentioning public expenditure allocations, civil service reforms, public-sector retrenchment, capacity-building based on merit and a code of professional ethics, transparent and accountable resource mobilization, and tax administration.

Africa's improved economic performance in recent years has not gone unnoticed. In 1996, economic growth was around 5 per cent. In the same year, economic growth rates outpaced population growth rates in 31 countries, resulting in positive per capita

GDP figures. The economies of 32 countries recorded higher growth rates in 1995-96 than in any year since 1992. Only two African countries experienced negative economic growth rates in 1995-96. Fiscal and current account deficits have been cut sharply in several countries, while substantial progress has been made in reducing inflation rates and achieving monetary stabilization. As a result of these positive changes, Africa ranks more highly on the development agenda as a destination for new trade and investment. This more optimistic view of Africa's economic prospects is a direct result of improved economic policies and, in many cases, more pragmatic leadership.

The grounds for this optimism were examined in a recent study produced by the Harvard Institute for International Development in association with the World Economic Forum. The 1998 *Africa Competitiveness Report* measured the competitiveness of 23 African countries based on estimates for their medium-term economic growth. The study calculated overall competitiveness based on an average of six indices: openness, government, finance, labour, infrastructure, and institutions. 'Competitiveness' is the main index, while two additional indices — 'improvement' and 'optimism' — seek to show the attitudes of business communities to the much-vaunted reforms and economic growth on the continent.

According to the study results, the optimism about Africa's economic prospects is conditional on good governance and good leadership. The study highlighted the way in which sensible economic and political management enabled Mauritius and Botswana to move forward from poor to middle-income status. Specific reforms deemed of greatest interest to the business community were political and policy stability, openness to trade, transparency between business and government, and improved infrastructure. Corruption was cited as the factor that most severely impairs the ability of businesses to function.

Corruption, the second of the cross-cutting issues that I mentioned earlier, is the antithesis of accountability and transparency, which form the subject matter of this Forum. Moreover, corruption is both a governance and a developmental issue. We now have sufficient analyses showing that corruption has a negative impact on those indicators that are central to development. Corruption hinders development by thwarting the ability of governments to reduce poverty, and obstructing the effective delivery of public goods and services. By reducing the amount of public resources available for development, corruption restricts economic growth, discourages private investment and savings, and impedes the efficient use of government revenues and development assistance.

We Africans have often been told to look to Asia as a model for building our economies. While Asia remains a positive role model for us in many ways, the

economic crisis currently afflicting that region has its roots in corruption. The crisis was the result of corrupt powers in the private sector extending credit beyond any reasonable possibility of repayment, often in complicity with corrupt forces in the public sector that kept banking regulations weak. The impact of the crisis on Asian economies has been dramatic. In Indonesia, GDP is expected to decline this year by some 15 per cent, causing tens of millions of people to fall below the poverty line.

Given its relative poverty and scarce resources, Africa can least afford the effects of corruption. If we look at the issue of capital flight, for example, we gain further insight into how corruption can impede economic growth and stability. The large amount of illegal wealth siphoned from the continent and transferred abroad is indicative of why it is so difficult to shed the perception of Africa as a risky environment in which to do business. Recent research shows that Africans have transferred a staggering 37 per cent of the continent's wealth overseas. The comparable figures are 29 per cent in the Middle East, 17 per cent in Latin America, 4 per cent in South Asia and 3 per cent in East Asia.

In the battle against corruption, there are certain tried and true prescriptions that can be followed: bolstering the role of civil society, instituting watchdog functions such as civilian review boards and audit functions, allowing transparency in decision-making, fostering accountability through stiff penalties for malfeasance (whether by public officials or private officials attempting to subvert the public good), and imposing checks and balances on small as well as large systems.

But we Africans must take extra measures to combat corruption. For example, a free and responsible media plays a pivotal role. Media pluralism is becoming entrenched in Africa, with numerous private newspapers, radio and TV stations emerging. However, the media remain fragile, with censorship and intimidation often conspiring to stifle this important arm of civil society in a number of our countries. Statism is manifest in the slow pace at which control over the means of communication is being relaxed. It is an acknowledged fact that effective, responsible and balanced journalism is one of the most powerful weapons in the battle against corruption. Surely it is in the interest of governments seeking to eliminate corruption to create and maintain an environment that allows the media to operate and flourish?

The processes of development and entrenchment of new systems and functions take time but, meanwhile, the political clock is ticking. Perhaps this calls for a strategic approach to reform — involving, on the one hand, a systematic, step-by-step, brick-by-brick building of systems and, on the other, a purposeful delivery of a select group of quick-win, high profile reforms. For example, a government that quickly

cleans up its customs service and delivers new books to schools on time could earn enough goodwill to last the years necessary to carry out more predictable and painstaking reforms. Perhaps some of the case studies presented at this conference will offer advice on political strategies that can be used to gather support for enduring reforms.

The Economic Commission for Africa (ECA) has charted a way forward which builds on past work in promoting the capable state, in collaboration with our partners, particularly the United Nations Development Programme (UNDP) in the context of the UN System-wide Special Initiative on Africa (UNSI). We plan to continue to focus on advocacy, advisory services and capacity-building for policy analysis and economic management. ECA also plans to broaden and refine its work programme in governance by developing qualitative indicators for monitoring progress towards good governance in African countries.

One of our new initiatives is entitled "Setting Goals and Monitoring Progress in Governance in Africa." The objective of this initiative is to compile and develop norms of good governance, and to develop and codify a set of indicators for monitoring incremental progress by African countries towards abiding by agreed-upon codes of good governance. ECA strongly believes that the development of such codes is a necessary first step towards closing off the channels through which corruption usually proceeds. Among other things, the codes will address the critical issues of government procurement, customs and tax administration, business licensing and regulation, the allocation of government subsidies, and the administration of government resources.

On the basis of this work, ECA will periodically produce the *African State of Governance Report*. This report will serve as a vehicle for promoting and disseminating information on good governance practices, and will encourage other states to pursue similar measures.

It is traditional at the end of these kinds of presentations to invoke the need for donor cooperation. The World Bank, International Monetary Fund (IMF) and the bilateral donors have all made strong pronouncements on these issues, often in the form of official agreements. A prominent international news magazine commented on one major reason for donor concern, perhaps somewhat inelegantly, when last week it stressed that donors "... cannot afford to carry on like the piano player in a brothel who pretends not to notice what is going on upstairs." While I fully acknowledge the central role of donor assistance in helping us achieve our goals, we must ensure that outsiders do not drive our governance agenda. Formulating our actual agenda should be first and foremost Africa's own responsibility.