A NEW AFRICA IN THE 21ST CENTURY

What Policy Agenda, What Conditions?

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About the Author

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About the DPMF

With financial support from the Dutch and German governments, and substantial technical support from ECDPM, the Development Policy Management Forum was established in Ethiopia in March 1995. It is housed at the United Nations Economic Commission for Africa. The DPMF (previously the Development Policy Management Network) carries out networking and other activities in the field of development policy management in Africa.

The overall aim of DPMF is to enhance institutional capacity for development policy management in sub-Saharan Africa. To this end it aims to establish and maintain effective linkages between researchers and practitioners involved in this area of activity in African countries and in institutions and agencies in other parts of the world.

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Foreword

Two statements by Sadig Rasheed in this wide ranging and incisive paper delineate its main thrust. First, on page 11, he points out that "there is no viable alternative to Africans taking effective charge of their destiny and deliberately creating the conditions that are essential for effecting the desirable change in their fortunes." In the second, he suggests that "the Bretton Woods institutions must create space for African countries to realize these goals". With these two statements, Rasheed identifies two of the main elements of today's capacity development agenda.

The author looks at the implications of these two statements for African countries and for their partners. He identifies the responsibilities each has to assume to make a new partnership work. He does not underestimate the difficulties to be addressed. Neither does he take an unduly pessimistic view of the present situation. What is contained in the paper is a realistic overview of the institutional environment both within Africa and among the partners of African countries.

Sadiq Rasheed does not claim to have all the answers. He realises that there is no certainty that the ideas he suggests will actually work. But, in a world where there is wide emphasis on the need to give Africa 'ownership' of its own development, it is important to get a proper perception of what achieving this involves. The views of such an experienced African writer on the complexities are thus timely and useful.

As he concludes, "a new ethic in international development cooperation with Africa must emerge if Africa is to change its fortunes for the better". This paper will help those most closely concerned to develop this new ethic, to arrive at an adjusted balance in the relationship between the African countries who must take charge of their own affairs and their non-African partners whose support will be needed for some considerable time. For this reason, the European Centre for Development Policy Management is pleased to publish it as part of its Policy Management Report Series.

We are also very pleased to be able to publish this book with the Development Policy Management Forum (DPMF) with whom ECDPM has a long association.

Joan Corkery
Programme Director, ECDPM

List of Acronyms

COMESA	Common Market for Eastern and Southern Africa
ACC	Administrative Committee on Co-ordination
BWI	Bretton Woods Institutions
CFA	Community France Afrique
CSOs	Civil Society Organizations
DPMF	Development Policy Management Forum
ECOMOG	Economic Community Monitoring Group
ECOSOC	Economic and Social Council (UN)
FDI	Foreign Direct Investment
GDI	Gross Domestic Investment
GDS	Gross Domestic Savings
HDI	Human Development Index
IBRD	International Bank for Reconstruction and Development
IATF	Inter-Agency Task Forces
LDCs	Least Developed Countries
MFN	Most-Favoured-Nation
NSRT	North-South Round Table
OAU	Organisation of African Unit
R&D	research and development
SILIC	Severely Indebted Low Income Countries
SPA	Special Programme for Africa
UEMOA	Union Economique et Monétaire de L'Afrique de L'ouest

The Context

The African continent is currently at a critical crossroads in its history. The seemingly unremitting economic and humanitarian crises, coupled with proliferating situations of political instability, civil strife and armed conflicts - particularly since the beginning of the 1980s - have led many to view the African situation with great despair and growing scepticism.

Despite a decade and a half of economic reform and adjustment programmes in most countries, ailing African economies have yet to be 'turned around'. Economic growth rates averaged a mere 2 per cent during the 1980s, translating into per capita income declining at an average rate of 1.1 per cent per annum during this period. Contrary to expectations and the projections of numerous organizations, economic performance levels remained depressed through the first half of the 1990s, during which the regional GDP per capita grew at an even lower average rate of 1.4 per cent, causing average per capita incomes to fall by 1.6 per cent annually (ECA, 1995c). Incomes per head have fallen so steeply during the past fifteen years that it would take Africa more than half a century to return to the levels of the 1970s. African countries classed as Least Developed Countries (LDCs) mushroomed from 21 countries in 1980 to 33 in 1995[1]. Botswana is the only country in recent years to 'graduate' from being an LDC to middle income country. The economic situation of this large group constituting 66 per cent of all African and 73 per cent of sub-Saharan countries continued to deteriorate in the 1990s. Between 1990 and 1994, the GDP average rate of growth of African LDCs, as a group, was -0.03 per cent. Against an annual average rate of growth of their population at 3.1 per cent, per capita GDP growth rates practically fell by the same rate (ECA, 1995a).

Economic regression has been reinforced by a serious deterioration in human conditions. UNDP's overall human development index (HDI) lists only two African countries Mauritius and Seychelles at the bottom of the `high human development' category, includes fourteen countries in the medium category and relegates 36 countries to the 'low human

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[1] Angola, Benin, Burkina Faso, Burundi, Cape Verde, Central African Republic, Chad, Comoros, Djibouti, Eritrea, Equatorial Guinea, Ethiopia, Gambia, Guinea, Guinea Bissau, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Niger, Rwanda, Sao Tome and Principe, Sierra Leone, Somalia, Sudan, Togo, Uganda, United Republic of Tanzania, Zaire and Zambia.

development' rank (UNDP, 1995). African countries represent 79% of the total count in this latter category, and 84% of the 35 countries with the lowest HDI (see table 1).

More than half of the African people currently live below the poverty line[2]. Poverty interrelates and interacts closely with unemployment and underemployment, and these have recorded high levels and are increasing at alarming rates, particularly among women and youth[3]. These trends have combined with endemic famine; recurrent drought; deteriorating health conditions -- further complicated by the scourge of the AIDs pandemic; high infant and maternity mortality rates; and lack of access by the majority of the people to safe drinking water, sanitation and health and educational services, to draw the mass of the African people into a vicious circle of economic and social deprivation. Rapid population growth - projected to almost triple Africa's current population size to 1.6 billion by 2025 - and uncontrolled environmental degradation have further complicated the picture and point to the enormity of the plight and the challenge ahead (Rasheed, 1993b).

Perhaps the greatest damage inflicted on Africa's image has resulted from an increasing number of extremely disturbing humanitarian and political situations. These include: the organized mass genocide in Rwanda; a fear of the recurrence of bloody ethnic conflicts in Burundi and a counter invasion of Rwanda by elements of the displaced former Hutu-dominated army; a sense of hopelessness as what to do about continuing anarchy and blood-letting in Somalia; the lack of progress on the Western Sahara conflict; the continuing civil wars in Sudan and Sierra Leone; the armed insurrections in Djibouti, Niger, Mali and Uganda; the political instability that followed elections in countries such as the Congo, Cameroon, Togo and Senegal; social unrest in old trouble spots such as Zaire and showcase countries such as the Cote d'Ivoire; the rising tide of religious extremism causing armed civil conflicts in Algeria and attempts at political destabilization in Egypt; the inter-state disputes such as those between

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[2] It is estimated that 54% of the people in sub-Saharan Africa live in absolute poverty. See UNDP, 1994, Table 8, Annex, p. 165.

[3] While Africa's population is growing by 3%t per annum, productive employment has been growing at a slower average rate of 2.4% in recent years. Open unemployment has risen from 7.7% in 1978 to 22.8% in 1990, and is further projected to increase to 30% by the year 2000. Underemployment affects nearly 100 million Africans. (For a recent assessment of the unemployment situation in Africa see ILO, 1993).

Nigeria and Cameroon over Bakasi island and Egypt and Sudan over the Halaib area; the resurgence of political tension in the Horn of Africa as a fall-out of increasingly strained relations between Sudan on the one hand and Eritrea, Uganda, Ethiopia and Egypt on the other hand; and the plight and costs of caring for over 7 million refugees and 20 million displaced persons.

Incidents such as the recent coup d'état in Africa's oldest and most stable democracy, the Gambia; the 1992 coup d'état and October 1995 attempted counter coup in Sierra Leone; August 1995 success fulthough contained attempt by the army to overthrow the first democratically elected government of Sao Tome and Principe; 1989, 1992 and September 1995 mercenary-supported coup attempts in the Comoros; the intransigence of the military rulers in Nigeria and their refusal to return democracy to the country even in the face of intense internal and external pressures; the mutiny of the army in Lesotho and the continuing tension between it and the government, are disturbing developments leading many to speculate whether the spectre of military take-overs will once again cause a reversal of the recent surge toward political liberalization so refreshingly evident since the beginning of 1989.

These deepening economic, humanitarian and political crises have engendered embarrassing international media coverage in recent years, caused despair among even Africa's staunchest supporters and led many to wonder whether the continent will ever have the political stability so vital for development and economic progress and whether the latter processes can be jump-started and sustained under the prevailing conditions.

Bleak as the overall picture is, it is important to recognize that positive - and at times even remarkable - change has been taking place on numerous fronts in Africa.

- Not all African countries have suffered to the same degree. In spite of the generally gloomy record of economic growth, nearly a dozen countries have managed to register positive per capita rates of growth at one time or another during the past fifteen years[4].

- Regardless of the controversy over the efficiency, impact and costs of adjustment and economic reform measures, most African countries are now willing to undertake economic reforms, exercise a greater degree

[4] In 1994, it is estimated that 11 countries experienced growth rates between 3 to 6%; 5 countries had growth rates between 6-8%; and growth rates exceeded 8% in 3 countries. The six countries with the highest growth rates in 1994 were Morocco (10.5%), Namibia (8.7%), Ghana (8%), Uganda (7%), Mauritius (6.8%) and Zimbabwe (6%). (See ECA, 1995c, page 28)

of financial and budgetary discipline, exhibit greater accountability and transparency, manage the economy more effectively, and genuinely encourage entrepreneurship and private initiatives. Basic macro-economic fundamentals have also been corrected to a substantial degree in the adjusting/reforming countries.

- Africa's political landscape has been transformed dramatically since 1989. An unprecedented era of political liberalization and reform has unfolded in most African countries. While the quality of that change may leave much to be desired, it has, nevertheless, ushered in a critical momentum on which a further consolidation of political reforms and democratization can be attempted (see Rasheed, 1995a).

- An increasingly resilient and emboldened civil society and civil society organizations (CSOs) have recently emerged across Africa, exhibiting a capacity on the part of Africa's people not only to survive and experiment with economic ventures under extremely trying conditions, but also to challenge the state and demand more meaningful involvement in political life and economic policy-making processes.

- The end of the bitter civil wars in Uganda, Ethiopia, Angola and Mozambique and the ongoing processes in these countries aimed at creating political stability and establishing more pluralistic structures of governance offer opportunities to redirect scarce resources and efforts to the tasks of national reconciliation, economic reconstruction and development.

- While the human development situation in Africa is certainly alarming and disappointing and while social gains are being threatened or lost in some areas, undeniable achievements have been made over the years. These include the success of 18 African countries in reducing child mortality rates by 50% between 1960-1992; the ability of over two-thirds of the population in at least 23 countries to have access to basic health services; and the rise in gross primary school enrolment rates from 30% in 1960 to nearly 70% at present (see ECA, 1995b).

- The demise of apartheid rule and the orderly transition to democratic governance in South Africa are dramatic achievements - unthinkable only a few years back - which are not only likely to improve the economic and social situation for the majority of the population in that country but could also create opportunities for improved economic prospects in the Southern African sub-region and perhaps - in the long-run- for greater economic dynamism in Africa as a whole.

What Implications and What Agenda?

This mixed picture of despair and hope has generally polarized views - as regards the economic, social and political prospects of Africa - into two extreme positions.

At one end, there are those, mainly among outside observers and donors, who see the positive signs as mere aberrations in generally negative trends and doubt the possibility of a fundamental change occurring in the African situation. At the other end, there are those who are convinced that structural adjustment and economic reform have succeeded in 'turning around' the economies of the 'strong adjusters' and that more adjustment, aided by better governance, is essentially and ultimately the answer to sustained improvements in economic performance and even poverty reduction (see for example, World Bank, 1994a; Hadjimichel, et al, 1995). A few consider the on-going processes of political reforms and liberalization as irreversible.

One is, however, convinced that the issue is much more complex than is portrayed by either side. With regard to the latter viewpoint, the results achieved by adjustment are modest, are very much induced by exogenous factors, and the sustainability of even those modest results is rather doubtful (see Rasheed, 1994). Furthermore, the social costs of adjustments have also been high. While adjustment is an inevitable process which African countries must undergo with flexibility and differentiation in response to changing domestic and international circumstances - so as to create macroeconomic conditions and an environment conducive to growth - a respectable body of evidence has clearly demonstrated that SAPs by themselves cannot generate accelerated growth on a sustained basis. The serious diversification of both the production base and structures of the economies and deliberate policies aimed at raising investment to substantial levels and ensuring that it is channelled to enhance productive-capacity and productivity - to indigenize and generate sufficient impulses of growth - are rather the basis through which such buoyancy and sustainability of growth rates may be achieved. 13 Secondly, there is no objective of development policy more overriding in Africa at present than eliminating poverty and improving human conditions in a significant manner.

This objective is unlikely to be achieved through adjustment policies. Furthermore, adjustment-induced growth will not be sufficient for any tangible reduction in poverty[5]. It is through purposeful human-centred strategies - involving deliberate policy shifts and augmentation, re-ordering and targeting of resource allocations - that any appreciable progress toward the realization of this goal can realistically be approached.

As to the pessimistic view, given the richness of Africa's natural resource endowment, existing and latent opportunities for their exploitation, and the fact that promising opportunities for economic and political progress exist in a number of countries, there is no objective reason to doubt the huge potential for investment, growth and improvement of human conditions that can be tapped once there is the political will to spur and sustain that process through appropriate and deliberate policies.

There are compelling arguments and evidence underscoring that unless conditions to transform economic structures and achieve human-centred development are deliberately created, growth cannot be accelerated on a sustained basis and human conditions cannot be improved in an appreciable manner even in those countries presently labelled as star performers[6]. With the projected doubling of the size of the African population to 1.6 billion by 2025, further pressure on education, health and sanitation services, the demand for food, housing, employment requirements and the negative impact on poverty levels would be phenomenal if current trends remain unaltered in a fundamental manner. Even for 'core adjusters' and other African countries presently growing at a relatively high speed, it will take them about 70 years to double their per capita income levels from $1 to $2 per day, which is not a spectacular outcome (Husain, et al, 1993). Without the massive infusion of ODA

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[5] The third meeting of the SPA Working Group on Poverty and Social Policy, held during 19-22 September 1995 in Addis Ababa, concluded that while the analysis underlines the point that high growth rates (more than 5%) are needed to stem a rise in the number of poor in SSA, poverty reducing policies should focus not only on high growth, but also on pro-poor patterns of growth across sectors and regions (SPA, 1995: page 3).

[6] A study of the World Bank concluded: "The strong acceleration in GDP per capita growth between 1981-86 and 1987-91 for African countries with improving macro-economic policies compared favorably with that in other regions. . . . These outcomes, while encouraging are not as positive as they might be. Current growth rates among the best African performers are still too low to reduce poverty much in the next two or three decades. So far, the rebounds have merely brought countries back to their historical trend of low growth, and it is not yet clear whether they are shifting onto a higher growth path" (World Bank, 1994a: page 132).

flows to the 'best performers', even these results would not have been attainable and will certainly be unattainable in future. Savings and investment have remained depressed and have even deteriorated in adjusting countries, including 'high intensity reformers' (GCA, 1993).

For the average African country, the economic prospects are much bleaker. Projections by the World Bank and IMF predict that sub-Saharan Africa is not likely to grow by more than 3.4% (World Bank, 1992: page 32) and 3.5% (IMF, 1992: page 10) per annum, respectively, during the period 1990-2000. The number of poor in sub-Saharan Africa, estimated at 184 million in 1985, is projected to increase to 304 million by the year 2000 (World Bank, 1992: page 30) and there are indications that this might turn out to be a rather conservative estimate. In only a very few countries is it likely that the poverty situation will remain unchanged or slightly improve.

The slow growth syndrome and susceptibility of African economies to recurrent crises are essentially due to structural deficiencies and factors, which have been further exacerbated by an unfavourable external environment. Without dealing successfully with the root causes of this economic malaise and unless the structures of production and of the economies are purposefully transformed, African economies will continue to succumb to perpetual crises. African countries will have to face the challenge of adopting and implementing imaginative strategies to attain the interlinked objectives of fundamentally diversifying production structures and achieving human-centred development. In this frame, adjustment would form a part of the developmental context, rather than a substitute for it.

Thus, the bleakness of the current economic situation; the unacceptable prospects of further intensification of poverty and deterioration of human conditions -- even in countries which are considered to be economically better performers; as well as the opportunities for change that are at hand, make it imperative that internal and external efforts must converge, at this particular juncture, to reverse the negative trends, accentuate and broaden the emerging fragile positive economic, social and political gains, and to exploit looming opportunities.

Conditions for Successful Change

Although sharp controversies have raged and views have differed widely within and outside Africa over the years as to the exact nature of the measures needed to deal with the African crises, a growing broad consensus in policy analysis - among development institutions and researchers alike - has started to emerge in recent years. This recognizes that long-term development in Africa requires comprehensive approaches and policies that go beyond adjustment. This broad consensus has been reflected in major institutional and intergovernmental policy documents such as the United Nations Programme of Action for African Economic Recovery and Development 1986-1990; the United Nations New Agenda for Development in Africa; the World Bank's report on Sub-Saharan Africa: From Crisis to Sustainable Growth; and World Development Reports; ECA's African Alternative Framework to Structural Adjustment Programmes for Socio-Economic Recovery and Transformation; UNICEF's Adjustment with a Human Face; and UNDP's Human Development Reports.

More recently, this broad consensus received renewed attention and more forceful articulation in the main document prepared by the Global Coalition for Africa (GCA, 1995) for its Second Maastricht Plenary; the World Bank's A Continent in Transition: Sub-Saharan Africa in the Mid-1990's (World Bank, 1995); the African Common Position on Human and Social Development; ECA's Human Development Report in Africa, 1995; and the OAU's Relaunching Africa's Economic and Social Development: Cairo Agenda for Action; and the 'Declaration and 'Plan of Action' of the World Summit for Social Development. This consensus was also, more or less, reflected during the debate at the July 1995 ECOSOC High-Level Segment on Africa.

This broad consensus also recognizes that only Africans can reverse the continent's socio-economic retrogression and that economic and political change requires enhanced and sustained levels as well as better co-ordinated patterns of external support. Yet, on all these counts the practice has not reinforced this consensus. The nagging questions thus remain:

- Why aren't African countries creating the conditions necessary for sustained socio-economic development?

- Why hasn't external support reinforced a coherent agenda for long-term development? and
- What does it take to achieve progress in these two directions?

A Joint Responsibility:
Enabling Africans to Take Charge

It cannot be stressed too often that African countries must assume primary responsibility for and take charge of their developmental destiny. Africa's bilateral and multilateral partners have often proclaimed the desirability that African countries take ownership of reform programmes, mobilize domestic resources and establish sectoral investment priorities. While all of these are laudable goals, the issue is broader and much more complex than it appears on the surface. Two aspects which need to be carefully analyzed in this regard are: first, the overall context and objectives of the desired development initiative, and second, whether African countries are actually able to take the initiative in charting their own development paths.

Despite endless pronouncements and commitments by African leaders and senior policy-makers extolling the virtues and desirability of sustained human-centred development, national development policies and practices have, to the contrary, been conditioned largely by the requirements of the very narrowly-focused objectives of macroeconomic stabilization and adjustment.

At the same time, while the international partners have similarly contributed to declarations and compacts in line with the emerging consensus on long-term development objectives in Africa, conditionalities have largely been framed around economic reform programmes.

As a result, African governments have become adept at agreeing to economic reform priorities and modalities guaranteeing the flow of the badly needed financial resources and debt relief. They have also become so engrossed in attempting to meet and report favourably on the implementation of performance criteria set by international partners, that any desire or will to confront the requirements of long-term growth and development have essentially been stifled.

The behaviour and action patterns of African governments have basically been conditioned by a dependency/follower - rather than initiator/leader - mentality. This reality, together with the fact that not many policy makers are genuine believers in adjustment policies, has generated a lack of commitment, and a sense of non-accountability on their part.

This situation can successfully change to the extent that there is mutual interest on the part of the Africans and their partners to think and act strategically -- to first give effect to the emerging consensus on development objectives in Africa, and to enable Africans to gain the initiative in this regard. Africa's partners must be genuinely willing to alter their current approaches in support of African development. While that is a major hurdle, African countries must press vigorously for the attainment of these objectives and must demonstrate a capacity and will to lead and discharge their developmental responsibilities in an effective manner.

Questions of conditionality and accountability are relevant in the context of this discussion. Extensive conditionalities have systematically been used to ensure adherence to the requirements of reform programmes; as an instrument to reward good performers and as a way to ensure accountability to the donors in respect of programme implementation and utilization of funds. Without digressing into the merits and demerits of conditionalities, it must be said that one-way conditionalities smack of paternalism, are hardly defensible and do raise awkward questions and formidable ethical complications.

A development cooperation model built around agreements between each country and a consortium of donors, and based on mutually binding undertakings to implement national programmes deriving from the requirements of the emerging consensus, can both advance the implementation of the consensus and allow for two-way accountability by each side .

A complication arises where the absence of a state structure or where the nature of political governance does not permit or encourage the forging of such mutually-binding agreements. These situations have often been cited to buttress and justify the arguments for 'selectivity' in extending external support.

The views advanced at the beginning of this paper have underscored not only the need to reward better performers and build on the positive signs, but also to reverse the negative trends and deteriorating conditions. Countries with which it becomes impossible or undesirable to work in partnership with or through governments ought not to be abandoned or forsaken on the strength of the argument of 'selectivity', as currently practised. Means must be found - through UN agencies or international, regional, sub-regional and national NGOs - to extend external support to help eradicate poverty, improve human conditions, empower people economically, build-up human and institutional capacities of educational and research institutions, empower women, support private initiatives and strengthen the institutions and organizations of civil society.

African Responsibilities

There is no viable alternative to Africans taking effective charge of their destiny and deliberately creating the conditions that are essential for effecting the desirable change in their fortunes. In doing so, they need to pay attention to the following:

Establishing Enduring Peace, Security and Stability

It has become a tautology to reiterate that peace and stability are the very foundation of social and economic progress in Africa. Yet, this simple truth cannot be over-stressed. It is when the many direct and indirect ways in which the lack of peace and stability wipes out gains and threaten prospective rewards from development are perceived, that the futility - and sometimes even the impossibility - of attempting to develop under such conditions can be truly appreciated. When the impact of the spill over of armed conflicts and political instability on neighbouring countries and communities is factored in, the enormity of the costs involved become much more pronounced.

Without the removal of the underlying causes for such conflicts and instability, basic conditions for economic renewal will be glaringly absent. Whether African countries will succeed or fail in establishing peace and stability on a lasting basis depends on the extent to which they are able to achieve genuine democratization of polity and society; remove economic, political and social injustices; and resolve their conflicts peacefully. Recent developments reveal a mixed picture of hope and set-backs.

While it is difficult to predict future trends, mainly intra- but also inter-state conflicts are likely to occur in future in Africa. The lessons of past experience underscore the necessity of adopting a comprehensive approach to conflict prevention, management and resolution. Close cooperation between the national level, sub-regional and regional organizations, the UN and non-governmental organizations is essential. The lessons of Somalia and Rwanda in particular, have repeatedly confirmed the absolute necessity of concentrating efforts to prevent conflicts during their formative stages. The energies and resources of all

need to converge to deliberately create or strengthen the conditions, forces and processes making for peace, cohesion, reconciliation and stability at the national level. At the same time, regional and sub-regional processes such as the OAU Mechanism for Conflict Prevention, Management and Resolution deserve to be fully supported and strengthened.
While the inability of the OAU to take decisive action in relation to the recent coup d'etat in the Comoros has left many to wonder about the effectiveness of the OAU's 'mechanism', it has nevertheless been able to score some modest successes and does show future promise. Also significant are the few interventions which groups of countries have been able to undertake at the sub-regional level to contain conflicts. ECOMOG's initiative in Liberia and the successful mediation by several Southern African countries to contain the political crisis in Lesotho are models that ought to be emulated in similar situations.

Effective Management of Development

Since independence, the State in Africa has assumed a dominant and visibly overbearing role in development. Regardless of the underlying reasons, the limitations and costs of such an approach have become clearly evident. This has prompted a backlash where, under adjustment, both the economic role of the state and the size of the civil service have been severely curtailed.

We are now beginning to also see the limitations and cost of this excessive curtailment of the role of state; and we are also learning that the processes of economic reform and development require deliberate spurring and support by the state.

A new more responsive and proactive state must emerge as another condition and fundamental prerequisite for economic renewal and transformation in Africa. Its main role is to create an enabling environment that permits and facilitates the effective participation and contribution of all agents of change to the development process. It should, through imaginative and pragmatic policy interventions, strengthen and work through market forces; foster entrepreneurship; encourage the private sector and establish mutually reinforcing relationships and partnerships with civil society and the private sector. It should also economically empower the people, invest in them, devolve political and administrative power, and channel resources to them so a that they can effectively participate in increasing production and productivity and ultimately benefit from the development process. These strategies will also assist in enlarging markets.

Market forces by themselves cannot promote growth, let alone human development and structural transformation in Africa. Fifteen years of economic reforms have proved that unrestricted 'open door' policies can lead to the demise of local industries and discourage expansion in domestic food production, thus harming two crucial aspects of the development of stronger economies. This experience of African countries, and indeed the experience of other regions, underscores the importance of the state playing a more proactive and pragmatic role in support of high growth and development. Policy frameworks need to respond to this requirement rather than blindly following the liberalization dictat.

Recent literature appraising the East Asian 'miracle' has underscored the benefits of selective government interventions. One such report by the World Bank states:

> *Fundamental policies do not tell the entire story. In each of these economies the government also intervened to foster development, often systematically and through multiple channels. Policy interventions took many forms: targeted and subsidized credit to selected industries, low deposit rates and ceilings on borrowing rates to increase profits and retained earnings, protection of domestic import substitutes, subsidies to declining industries, the establishment and financial support of government banks, public investments in applied research, firm- and industry-specific export targets, development of export marketing institutions, and wide sharing of information between public and private sectors. At least some of these interventions violate the dictum of establishing for the private sector a level playing field, a neutral incentives regime. Yet these strategies of selective promotion were closely associated with high rates of accumulation, generally efficient allocation and, in the fastest-growing economies, high rates of productivity growth (World Bank, 1993: page 6).*

Although the report cautioned that "separating the relative impact of fundamentals and interventions is virtually impossible", it nevertheless concluded:

> *Our judgment is that in a few economies, mainly in Northeast Asia, government interventions appear in some instances to have resulted in higher and more equal growth than otherwise would have occurred (World Bank, 1993: page 6)*

Several other studies have supported the thesis that selective and prudent intervention by the state is a crucial element in accelerating growth and development and have concentrated on analysing the factors and mechanisms needed for successful intervention (see Huff, 1995; Bhagwati, 1987; Wade, 1990).

The implications of these experiences need to be carefully weighed if Africa is to benefit from them. For the African state to play a proactive developmental role, its institutions and systems will need to be revamped, rehabilitated, reoriented and streamlined. In many countries, civil service institutions are in a state of serious collapse and civil service performance standards are completely inadequate.

Recognizing the extent and implications of the crisis in the African civil services, African countries, with the support of multilateral institutions, bilateral partners and the UN have instituted a variety of civil service reform schemes during the past 15 years. These, however, have generally centred around aspects of the cost and size of the civil service, conceived mainly within the framework of structural adjustment programmes. Not only have these civil service reforms been limited in objective, but many assessments - including those by the World Bank - concede that the reforms have failed to achieve their limited objectives (see Rasheed and Luke, 1995; Dia, 1993). This experience was summed up by a recent World Bank study as follows:

a review of past World Bank support to civil service reform confirms that the cost containment approach achieved neither fiscal stabilization nor efficiency objectives despite heavy political and social costs (Dia, 1993: page viii).

As a result of these limitations, many practitioners and organizations (Rasheed and Balugun, 1995; Dia, 1993; ECA, 1993; ECA, 1994) have argued that the objectives and scope of civil service reforms need to aim at enabling the services to be a more effective instrument for the delivery of high quality services and development in general. These objectives call civil services which are effective, efficient, responsive, productive, transparent, ethical, corruption-free and accountable. A comprehensive package of measures, aimed at facilitating and removing constraints to such reform efforts, would need to be adopted, taking into account the specificities of each country. One component of these measures - which has been ignored and is yet central to the process and realization of the objectives of civil service reforms - is the remuneration of civil servants. Practical modalities need to be found urgently to rationalize the pay and remuneration systems of African civil servants. A recent joint UNICEF and UNDP study has made bold recommendations in this direction (Adedeji, Green, and Janha, 1995).

Important as this comprehensive approach to civil service reform is, one is of the opinion that it is not sufficient to ensure a reorientation of the role of the state as suggested earlier. Comprehensive public sector reforms are the means for reshaping the civil service to help the state play its revamped role. That role must, however, be fashioned at the level of the determinant macroeconomic policies, policy measures and instruments, and resource allocation patterns.

Boosting Financial Self-Reliance and Investment Levels

Sustainability of high growth rates and indigenization of growth impulses can hardly ensue under the currently depressed levels of domestic savings and investment.

Saving and investment rates have actually been falling, rather than increasing, during the past two decades. Whereas Gross Domestic Savings (GDS) and Gross Domestic Investment (GDI) represented 23.4% and 24.2% respectively of the GDP in sub-Saharan Africa during 1974-1980, they amounted to 17.6% and 17.4% respectively of the GDP during 1988-93 (see tables 2 and 3). Foreign Direct Investment (FDI) has been negligible as a proportion of total resource flows in spite of a tremendous surge in FDI flows globally. While the average value of net FDI in developing countries increased dramatically from $13.1 billion in 1983-1989 to $34.2 billion per year in 1990-1993, FDI inflows to Africa averaged only $1.4 billion and $1.8 billion for the same periods (ECA, 1995c: page 37). Indeed, Africa is the only region which has not been able to benefit from this positive phenomenon. These realities have precipitated unhealthy overdependence on foreign aid. African economies must be 'weaned' off this dependence through purposeful long-term action. The poor prospects for any sustained increases in ODA to Africa lend urgency to this task.

Raising and maintaining growth rates at 6% per annum would require that Gross Domestic Investment rates must increase to over 35% of GDP (ECA, 1993b). The implications for the efforts that have to be made to increase the rates of domestic savings to that level are self evident.

Adjustment policies have failed to raise savings and investment levels, even in the strongly-adjusting countries where indeed, there is evidence that savings and investment rates have fallen (see Rasheed, 1994a: pages 23-24; GCA, 1993; El Badawi. Ghura and Uwujaren, 1992: page 5; World Bank, 1988: table 1.1; World Bank, 1989: page 27). Lessons from this experience need to be heeded in order to design flexible and imaginative policies and measures to spur domestic savings and investment.

This requires dedicated actions to encourage private savings and investment through appropriate macroeconomic policies, reforming financial systems and institutions, deepening formal and informal financial intermediation, stemming capital flight and encouraging remittances from abroad. A wide latitude exists for enhancing public sector savings through the reduction of military expenditure, curtailment of unnecessary subsidies, unproductive expenditure, fraud and waste, and enhancing the efficiency of taxation systems. Similar measures will have to be adopted to boost private and public investment and attract FDI. Experience has demonstrated that economic liberalization measures have limits and can also be distorting. For example, market-determined high nominal interest rates could divert funds away from productive investment. Uniform high interest rates could also discourage borrowing for the purposes of productive investment and encourage borrowing for speculative purposes, as the rates of return from the latter would still be financially rewarding. These lessons demonstrate the need for flexibility and pragmatism in economic policy and the implementation of policy instruments to encourage productive investment, to diversify production, and to broaden the export base. They also highlight the necessity for the state to go beyond the creation of a conducive policy environment and to remove structural impediments, and to build institutions (see UNCTAD, 1991; Gibson and Tsakalotos, 1994). The state needs to invest in schemes to attract investment and encourage entrepreneurship such as provision of infrastructural facilities, investment support centres, training facilities and programmes, support for research and development (R&D), and financial incentives such as low targeted interest rates and tax holidays (see ECA, 1992).

Whether, in the final analysis, such an approach will succeed is a matter to be seen. Obviously, the wide-spread poverty and low levels of income would set an upper ceiling on the magnitude by which domestic savings and investment could be boosted, which points to the need to acknowlede a dynamic relationship between accelerated growth and high savings rates in the design of development policies. Furthermore, political stability and economic policy predictability, consistency and durability - and not merely the orientation of economic policy - are determining factors for raising the levels of domestic savings and investment and attracting FDI.

Investing in Growth, Human Development and Economic Restructuring

Macro-economic policies need to be flexibly and deliberately fashioned to be growth-oriented and to foster human development and economic restructuring. This must also be coupled with purposeful efforts to target public expenditure and encourage investment into these avenues. Removing distortions and expecting growth to accelerate merely through market operations is a passive approach, which has clearly shown its limitations and even negative implications.

Given the overdependence of African countries on primary commodities, the continuing deterioration in Africa's terms of trade and the strong expectations that primary products will face long-term declining price trends and substitution possibilities by synthetic products, it has become evident that in no way can sustained growth be based on primary commodities.
The structure of exports has remained virtually unaltered for over two decades. In 1993, 86% of Africa's foreign exchange earnings were generated from primary products. In 9 countries, the share of non-oil primary commodities accounted for more than 90% of exchange earnings and is over 70% in another 18 countries. In 35 other countries, non-oil primary commodities accounted for over 50% of export values. Particularly disturbing is the fact that Africa's share in global trade has declined steadily from 5% in 1980 to about 2% in 1993. As is evident from table 4, significant losses in market shares have been sustained by Africa in respect of major primary commodities.

Regrettably, few African countries have succeeded in diversifying the structures of their production and exports in any meaningful way. Among the countries that have made the most progress in this direction are Mauritius, Morocco, Tunisia, Ghana, Senegal, Cote d'Ivoire, Kenya, Tanzania and Zimbabwe. While other countries have increased the number of exportables, this has not led to any significant impact on the structure of exports. Table 5 gives the diversification and product concentration indices in the exports of selected African countries.

Conscious efforts will need to be made to encourage horizontal and vertical diversification, create dynamic export possibilities and remove the obstacles that hinder progress in this direction. Of crucial importance in this context is the role of industrialization, a dimension which has not received the attention it deserves in adjustment programmes or even in the debate on Africa's long-term development (ECA, 1995c: pages 26-27). Without tapping the great potential that exists for agro-industries and diversifying into industrial production and exports, both growth and diversification efforts will remain stultified.

Policies and resources will need to be targeted to generate progressively greater diversification of the structures of the economies, broaden the export base and to strengthen forces leading to greater individual and collective self-reliance, indigenization of enhanced growth impulses and self-sustainment of the development process. Such reorientation must build upon and bolster indigenous capacities and capabilities, instill and nurture self-confidence and empower people to become energized architects and agents of change and transformation.

To accord priority to human development requires that macro-economic policies should be deliberately shifted in support of this overarching objective and also that substantial investment, at sustained levels, be made to purposefully alleviate poverty, generate incomes and productive employment, improve living standards and build human capital and capacities. Budgetary allocations for human development have been inadequate, and per capita real expenditure on health and education have actually declined in recent years.

Policies and measures to alleviate poverty and enhance opportunities for productive employment and income generation should be mutually reinforcing. Success in poverty alleviation requires a comprehensive approach to attack the causes of pervasive poverty at the source. Stop-gap interventions and indirect impact policies will not work. Direct measures aimed at triggering a substantial increase in the productive capacity and productivity of the labour force in the agricultural and informal sectors - where the majority of people subsist, work and earn their incomes - need to be effectively implemented. Central to such measures and policies is the need to create opportunities for the poor to engage in productive employment and generate incomes for themselves. Particularly crucial in this regard is the need to increase the access of the poor to assets, finance, credit and social services, and the creation of an enabling environment that would unleash the creativity, latent entrepreneurial talents, enthusiasm and productive capacities of the people.

Other measures include initiating and strengthening programmes for the eradication of illiteracy; re-orienting education and training to make them more responsive to the requirements of economic and technological transformation; removing the bias against institutions of higher learning; stemming the brain drain; pursuing pricing policies and other macroeconomic measures for the benefit of the poor; creating an environment conducive to enhancing the effectiveness of the informal sector and strengthening production inter-linkages and marketing networks between the formal and informal sectors; removing institutional and policy biases against women and introducing special measures to empower and support them with a view to enlisting their full participation and involvement in productive and income-generating activities; and targeting resources and social services to improve the conditions of the poor, marginalized and vulnerable. Poverty, population and environment are closely interlinked. Active policies to discourage high rates of population growth and protect the environment must be both linked to and part of the comprehensive approach to the alleviation of poverty[7].

Indigenization of Applied Research and Policy Analysis

[7] ECA, the UN and a few authors have drawn attention to the importance of industrialization in diversification and economic transformation efforts. See ECA, 1989; Adedeji, Teriba, and Bugembe, 1991; Rasheed, 1993a; Stewart, Lall and Wangwe, 1992; Lallis, 1993; Mkandawire, 1988; Pack, 1993; Stein, 1992.

Sustainability of growth and development, competitiveness and investment in self-reliance requires a strengthened capacity for indigenous applied research and policy analysis as well as the effective utilization of such capacities. Regrettably, Africa has, to a large degree, lost both the initiative and ability to think for itself. African governments have virtually abdicated their responsibility and even lost control over the process of policy-making for the purposes of economic reform and development in general. Few indigenous capacities currently exist for policy-oriented research and policy analysis both within governmental and educational/research institutions. Those that exist have been underutilized, bypassed, allowed to rot, and sometimes even dismantled. Furthermore, a state of sterile interface between policy-makers and the research community has been the norm, rather than the exception (Rasheed, 1994a).

Very little scientific and technological research of an applied nature and interlinkages between research centres and industry are taking place. Agricultural extension services and the application of agricultural research to enhance the production and productivity of agriculture leave much to be desired.

The seriousness of these negative trends and their long-term damaging implications ought to encourage serious efforts to reverse them. Researchers and research institutions should not shun policy-oriented research and should play a more proactive role in initiating policy research. Indigenous policy research and technological R&D institutions and think-tanks need to be adequately funded, and they themselves need to strengthen their income-generating capacities and reach out to provide support and extension services to the private sector. Governments need to strengthen their own policy analysis units as well as to support and effectively utilize indigenous structures and capacities for policy research in educational and research institutions. Governments and the private sector also need to forge imaginative collaboration modalities to establish and support applied R&D institutions to provide the technological support and back-up so vital for vigorous industrial growth and competitiveness in international markets.

Capacities for strategic thinking and planning need to be urgently built up, both within governmental structures and research institutions. Crisis management, excessive preoccupation with economic reform programmes and dependence on externally prepared policy framework papers have virtually destroyed indigenous capacities for strategic planning in general and policy analysis and technological R&D in particular.

Strengthening Regional Cooperation and Solidarity

Greater and more effective economic cooperation and integration among African countries at the sub-regional and regional levels are as crucial in achieving sustained development and economic transformation as are deeper economic diversification and internalization of the forces and impulses of growth at the national level. Enlarged regional markets and co-ordinated and rationalized production structures are indispensable means for achieving food security and self-sufficiency at the regional level; creating capacities for world class competitive manufactured products; effectively exploiting the vast endowment of the natural resources of the continent; and the development of core industries and factor inputs. This imperative is made more urgent by the fact that trading and economic blocs are being erected and fortified around the globe.

A continental framework - the Abuja Treaty establishing the African Economic Community - and literally dozens of sub-regional organizations have been established in an effort to foster collective economic cooperation and integration. So far, the results have been modest due to a host of economic and political factors such as the dominant outward links of the African economies, the similarity of economic and production structures, the unwillingness to relinquish national sovereignty and control over economic and social matters, the strong sense of affiliation to different monetary zones and the animosity or lack of political rapport between some leaders.

It remains to be seen whether progress toward closer economic cooperation among African countries will be achieved in coming years. One element is certain -- that African countries are still experimenting with sub-regional cooperation modalities. Two recent examples are the Union Economique et Monétaire de L'Afrique de L'ouest (UEMOA), established in January 1995 to promote the free movement of capital, goods and people and ultimately the establishment of a common market between Benin, Burkina Faso, Cote d'Ivoire, Mali, Niger, Senegal and

Togo, and the birth of the Common Market for Eastern and Southern Africa (COMESA).

These, and other examples demonstrate that closer economic and monetary cooperation is on the horizon. However, an urgent challenge is how to rationalize the many and overlapping organizations dealing with sub-regional economic cooperation and integration. Although the need has been recognized by African countries, implementation has been stalled by political manoeuvring.

African countries need to maintain great solidarity vis-a-vis the requirements of a more responsive external environment, and Africa's regional institutions have a major responsibility in supporting African countries and strengthening their capacities to undergo the desired economic and political transformation.

Rehabilitating and Building the Social and Physical Infrastructure

The financial austerity engendered by the economic crisis and adjustment and reform programmes have precipitated serious neglect and deterioration of the social and physical infrastructure in the majority of African countries. In spite of the tremendous expansion in the provision of infrastructural facilities in the post-independence years, water, sanitation, transport, power, irrigation and communications systems are grossly inadequate in relation to human development needs and requirements for sustained growth. Furthermore, serious deterioration in infrastructure has occurred as a result of poor maintenance.

The inadequacy of infrastructure is now so critical that it poses serious limitations to efforts aimed at improving living standards and achieving accelerated and sustained growth. Regrettably, this reality, and the contribution of infrastructure to growth and development is not being sufficiently appreciated (Rasheed, 1994b). In coming years, imaginative approaches must be found to rehabilitate, expand and manage infrastructural facilities.

Given the enormous cost implications of such a drive[8], and the limited

[8] ECA estimates that $49 billion will be needed over the next 10 years to rehabilitate 100% of

financial resources available for this purpose, African governments need to build effective partnerships with the private sector, local communities and donors to cover the necessary investment outlays as well as to effectively utilize and manage infrastructure services.

Strengthening Democracy and Civil Society

The deepening of ongoing political liberalization processes and the strengthening of the role of civil society and its organizations are essential conditions for the sustainability of democracy in Africa. They are needed to ensure effective popular participation in development, to make the state more accountable to the people, as well as to enhance the capacity of the latter to demand accountability of the state. Of particular significance in this context is the favourable role which democratization and political liberalization can play in advancing the agenda of sustainable human development and structural transformation. Without pressure from civil society, progress in this direction is not likely to be accelerated.

Given the lack of entrenched democratic traditions, culture and institutions and an African state which is still overly patrimonial, the onus for strengthening democracy and better governance will have to fall on civil society. It will have to be more vigilant and more vigorous in demanding genuine participation in political, economic and social processes. In essence, this is an historical process whose unfolding will be lengthy and whose final outcome may still be uncertain in spite of the current encouraging overall trends.

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the paved, 70% of graded and 50% of rural roads; and that $7.8 billion would also be required for routine maintenance. See ECA, 1994a: page 4.

Responsibilities of Africa's Partners

Though, understandably, the Africans themselves must take the lead in and assume the ultimate responsibility for their own development, that process can be facilitated or hindered depending on the nature and quality of external support. Both because the African economic crisis has been exacerbated by exogenous factors and also because external actors do exercise considerable influence over the orientation of economic policies and reforms, one may conveniently refer here to the responsibility of Africa's partners toward African development, rather than their support to it.

Translating Support for the Emerging Consensus into Reality

The World Bank and the IMF have been the main motivators, driving force, core financiers and enforcers of adjustment policies. Their success in mobilizing bilateral resources and encouraging Africa's creditors to grant debt relief in support of adjustment and also in further channelling financial resources and debt relief exclusively to the adjusters, have guaranteed that African countries are 'hooked' on reform programmes. Given the critical economic situation which most African countries face, any call on them to adopt a more embracing approach to development or to exercise leadership in fashioning such an approach would, under these circumstances, constitute an unreasonable demand and ultimately an unfulfillable expectation.

A corollary of this argument suggests that the Bretton Woods institutions must create space for African countries to realize these goals. The crucial question remains, is such a fundamental change of attitude on the part or these two leading institutions likely to occur in the foreseeable future?

While there has been a refreshing evolution in thinking by a small, yet increasing, number of practitioners within the Bank in the direction of the emerging consensus, this has not been embraced by the rest of the establishment nor has it permeated to the operational side of the Bank in any significant degree. Thus, major policy documents of the Bank - such as Adjustment in Africa: Reforms, Results and the Road Ahead, which essentially call for more adjustment - and others - such as Sub-Saharan

Africa: From Crisis to Sustainable Growth and the more recent document A Continent in Transition: Sub-Saharan Africa in the Mid-1990s which emphasize long-term considerations and sustainable poverty reduction have co-existed side by side. This has sent conflicting and confusing messages from the Bank. In addition, the Bank's practical development approaches in Africa have remained largely reform-driven rather than guided by the spirit of the emerging consensus. While the importance of the social dimension and the need for broader developmental policies to complement 'bold' adjustment policies have been recognized by the IMF, it is the latter consideration which continues to shape its operations in African countries

It remains to be seen how the different approaches to African development within the Bank will be ultimately resolved, the extent to which the position of the IMF will shift, how the emerging consensus will be translated into concrete policy actions and how much say African countries will eventually have in the formulation of reform programmes and development policies.

The differentiated socio-political and economic conditions of African countries require that external support must be sensitive and responsive to such differentiation. Development priorities and agendas in countries experiencing conflicts, in those emerging from protracted conflicts, and in countries with a fairly stable economic, social and political environment cannot be similar.

In the first two cases, external assistance is crucial in supporting efforts aimed to consolidate peace, national reconciliation, relief, reconstruction, rehabilitation, and development. These countries cannot be written off as "lost to the development process". African countries currently experiencing armed conflicts and political and social unrest account for nearly 50% of Africa's population, and there is no guarantee that the seemingly stable countries will not experience a reversal of this situation!

Furthermore, in all cases, support to consolidate democracy, effective economic, social and political participation and better governance is of crucial importance.

Toward a Coordinated Approach to External Support and Assistance

Frustrations with the poor results of decades of technical assistance and cooperation in Africa[9], repeated calls for closer and more effective cooperation and coordination of activities of the agencies and organizations of the UN system in Africa; and growing scepticism among bilateral donors about the efficacy of the narrowly conceived adjustment measures ought to add more pressure for reforming technical assistance and cooperation in general and for movement toward the consensus in particular.

[9] See for example UNDP, 1993; Jaycox, 1993; UN-IATF, 1989; UNDP, 1989; UNDP, 1988; Jolly, .

A number of interesting though limited in scope experiments are currently being tried by bilateral and multilateral partners of Africa. Among them, are UN Secretary-General's Special Initiative on Africa. which emphasizes system-wide synergistic implementation of theme-oriented long-term development priorities, and the coordinated approach to the implementation of the outcomes of global conferences.

Against a background of increased apprehensions about the social and economic conditions in Africa and recognizing that Africa represents the foremost challenge of global development, the UN Secretary-General launched his Special Initiative following 1994 discussions of the UN Administrative Committee on Co-ordination (ACC) on Africa. The broad aims of the Special Initiative are to "... identify and develop practical proposals to maximize the support provided by the UN system to African development and to raise the priority given to Africa in the international agenda". A report containing concrete proposals within this frame was tabled for action by the ACC at its October 1995 meeting (UN, 1995b).

The Special Initiative is limited in its objectives. It seeks to "... identify the best supportive actions congruent with Africa's priorities, which can be taken to help stimulate an added push for development in Africa ...", emphasizing system-wide joint development and implementation of theme-oriented long-term development priorities. It also seeks to "... mobilize the political support needed to ensure that timely action is taken to remove some of the obstacles to Africa's development ..." through a "... political mobilization component ...".

The Report proposes the following priorities: strengthening OAU capacity for peace-building; debt relief; harnessing information technology for development; basic education for all African children; health sector reform; capacity building for governance; strengthening civil society for development and peace-building; assuring sustainable and equitable fresh water supplies; partnership innovations for effective development cooperation through goal-oriented regional fora and country programmes; and broadening participation efforts.

This 'Initiative' is an innovation in UN-led endeavours. Unlike the UN System-Wide Plan of Action for African Recovery and Development which is essentially an aggregation of on-going activities of various organizations of the system in Africa -- the Initiative aims to bring a consortia of UN organizations together to provide core resources, mobilize additional resources and work with national governments to implement specific goals judged as being of critical importance to Africa's long term development.

Conscious of the need to increase the effectiveness of donor support; to foster government leadership in defining development priorities; to encourage African governments and their partners to agree on modalities for implementing and monitoring the priorities of the Initiative; and to enhance opportunities for mobilizing resources for the agreed priorities, the 'Initiative' is proposing the creation of regional fora around specific objectives or sectors; the preparation of national investment programmes for specific objectives; and broadening Consultative Group and Round Table discussions through the addition of representatives of the private sector and NGOs.

In response to a call by the World Summit for Social Development, the UN is also proposing an "Integrated UN-Wide Approach to Providing Development Assistance to the Follow-up to Major UN Conferences", the objective of which is to "bring the UN family together as a unified force to provide co-ordinated technical and other assistance to programme countries in support of priority objectives established at recent UN conferences". Through this, it is hoped that the existing visible overlap between the agendas and programmes of action of international conferences such as UNCED, Cairo Conference on Population and Development, World Summit for Social Development, and Beijing Conference on Women and Development will be avoided and follow-up mechanisms for the delivery of assistance at the country and regional levels will be rationalized and strengthened. Inter-agency task forces (IATFs) would be established to provide UN country teams and Resident Co-ordinators with coordinated substantive support and to facilitate their contributions to the implementation of the recommendations of various international conferences.

These are important new directions, which need to be strengthened and consolidated. Yet they can only have real impact and significance if they are implemented within a comprehensive framework of technical assistance and cooperation from all sources, and if they could dovetail with and form parts of the larger mosaic of the emerging consensus.

An Enduring Solution to the Debt Crisis

Notwithstanding the need for African countries to substantially enhance the levels of domestic resource mobilization, external resource flows will continue to exert considerable influence over the pace of economic growth in the continent and will need to be augmented to accelerate growth. Based on current trends, both ODA and private investment flows to Africa are likely to remain depressed in the foreseeable future.

Africa's huge external debt has acted as a major constraint to development efforts by syphoning off substantial financial resources for debt repayment and denying their use for development finance. Both the continent's total debt and debt servicing burdens have clearly become not only unsustainable but also morally unjustifiable, though apparently not yet to a degree sufficiently embarrassing to Africa's creditors.

At the end of 1994, Africa's total stock of debt stood at $312 billion, equivalent to 231% of the exports of goods and services and 72% of the GDP. Sub-Saharan Africa's debt (excluding South Africa) was $177 billion for the same year, constituting 334% of exports, and 126% of the GDP (see table 6).

These and other indicators testify to the enormity of Africa's debt burden and also to the fact that this burden is higher than any other region. The average ratios of the value of debt to export income of Africa and sub-Saharan Africa at 231% and 334% respectively are much higher than the World Bank's indicator of debt sustainability of 200%. Africa's per capita external debt and the arrears on debt are also higher than those in other regions. 80% of the 32 countries defined by the World Bank as 'severely indebted low income countries' (SILICs) are in sub-Saharan Africa, and the number is increasing. It is also important to note that the increase in the external debt of sub-Saharan African countries is due to the accumulating interest arrears and not a result of increases in long-term borrowing.

Important shifts have taken place with regard to the structure of debt. Multilateral debt obligations have increased in proportion from 8% in 1980 to about 41% in 1994. Debt owed to commercial creditors declined in proportion from 78% in 1980 to 35% in 1994, while the share of bilateral debt increased from 20% in 1980 to 24% in 1994.45 The fact that IMF net resource transfers to Africa have now become negative for the past several years is a further indication of the seriousness of the multilateral debt problem. The magnitude of these net negative transfers were as follows: $-374 million (1969); $-455 (1990); $-261 (1991), $-189 (1992); $-305 (1993) (GCA, 1995B).

In spite of repeated calls for creditors to adopt a more comprehensive approach to solving Africa's debt crisis, measures hitherto adopted within the Paris Club and by the multilateral institutions have remained partial and inadequate[10]. Indeed, UNDP estimates that if all the currently available debt reduction mechanisms were fully applied, only four sub-Saharan debt distressed countries would pass the threshold of the so-called sustainable debt servicing level, while multilateral debt will continue to constitute an increasing percentage of the total debt.

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[10] In the Latest of these initiatives, the UN Secretary-General called, in his report to July 1995 High Level Segment Meeting of ECOSOC for consideration of ways to promote a multi-pronged debt reduction strategy and new initiatives with regard to the external debt of African countries, including proposals for consideration by bilateral, multilateral or private creditors.

Actions to ease the burden of multilateral debt have not progressed far beyond the World Bank's use of the 'IDA Debt Reduction Facility' to retire commercial debt and to replace some IBRD debt with IDA debt and the IMF's establishment of ESAF. In all cases the results thus far achieved, in terms of reduction of the debt burden, have been extremely modest. Of concern should also be two categories of debt which are not receiving sufficient attention, namely: the debt owed by the African countries to the African Development Bank and that owed to the former Soviet Union.

Clearly there is a compelling case to solve Africa's debt problem once and for all because of the extremely precarious socio-economic conditions prevailing in Africa and the illogicality of demanding debt repayment and diversion of financial resources away from improving these conditions. That case is additionally compelling because the structure of Africa's debt and the cost to both the bilateral and multilateral creditors is relatively small.

The salient questions that thus remain are:

- Why have Africa's bilateral and multilateral partners been reluctant to adopt a comprehensive approach to the solution of the continent's debt problem in light of such a compelling case and also at a time when debt forgiveness has actually been selectively granted to a few countries?; and

- Is it likely that such an approach would finally be adopted?

The 'moral hazard' argument, in the case of all categories of debt, and the fear of harming the credit ratings of multilateral institutions have often been cited as the reasons for reluctance to go for more radical solutions to the problem of debt. But linking debt forgiveness to investment in human capital and to development in general and tightening the criteria for fresh borrowing should take care of this argument. Furthermore, as many have argued, there is no real danger that the credit rating of the Bretton Woods Institutions (BWIs) would suffer as a result of the cancellation of African debt (see George, 1988). These considerations have led some to surmise that the real reason behind the reluctance to solve the debt problem is the leverage creditors would have in shaping economic policy and the content of reform programmes in African countries.

It is evident that African countries need to minimize external borrowing and restrict it to concessional financing; and ensure that if necessary it should be used for productive activities and to better manage their current debt portfolios. They also need to maintain solidarity in pressing for a lasting solution to their debt problem. Whether the mounting pressure from this quarter and other sources will finally change the attitude of the creditors remains to be seen. Recently a paper circulated unofficially by the Bank has proposed that an $11 billion multilateral debt facility be created to permit the 40 poorest countries to repay about $30 billion of their $160 billion debt to multilateral agencies while undergoing economic reforms. The proposal is currently being further scrutinized by staff of the Bank and the Fund, and is not expected to be put before the boards of the two institutions before the spring of 1996. If adopted in 1996, this might signal an important shift away from the BWIs opposition to writing off multilateral debt and strengthen the argument to move away from the current fragmented approach to the problem of Africa's debt. We are, however, still far from the end of that road.

Enabling Africa to Take Advantage of Opportunities Offered by Globalisation

Donors, multilateral institutions and the UN have been urging African countries to be competitive and to take full advantage of the opportunities offered by globalisation and the Uruguay Round. African countries ought to heed this advice seriously, particularly since they have been losing market shares of even primary exports in which they had enjoyed traditional dominance (see table 4). But the Uruguay Round has its short- to medium-term costs and Africa is likely to be the only net loser as a result of this Agreement. It is estimated that these losses could reach $2.6 billion per annum during the initial years of the Agreement. Furthermore, Africa and African exports are also facing a world which is fortressing itself behind economic groupings and blocs.

Objectivity and fairness dictate that Africa's partners should create the conditions that would enable Africa to successfully pursue the aforementioned objectives. Support to mitigate the adverse impact of the Uruguay Round and relaxation of trade barriers faced by African exports are among the important measures that need to be instituted. The UN has specifically proposed to defer the removal of trade preferences enjoyed by African countries; to implement in advance, and without staging, agreed most-favoured-nation (MFN) tariff reductions on products of export interest to African countries that do not enjoy preferential treatment; to provide financial support to assist African countries in dealing with balance of payments pressures and transitional strains consequent on policy reforms; and to assist African countries in their efforts to achieve diversification and ultimately to enhance their competitiveness in world trade (UN, 1995a).

Conclusion

A decade and a half experimenting with economic reform programmes in Africa underscore the virtue of humility and the need for depth in attempting to better perceive and analyze the causes of the continent's serious socio-economic conditions as well as devising policies to achieve accelerated and sustained growth and development. Excessive pessimism as regards prospects for achieving this objective is unwarranted, but equally so is excessive optimism about the same prospects. Adjustment alone cannot generate and sustain high growth, eradicate poverty, or promote human development.

The requirements of such fundamental change, the complexities of the economic, social and political realities and the fragility of the results so far achieved through adjustment and reform programmes in Africa, are now generating a growing consensus on the broad elements of the agenda for long-term development. Yet, economic reform and development programmes on the ground are not moving in that direction to any satisfactory degree.

This paper has reflected on why African countries are not creating conditions sufficient for sustained socio-economic development, and why external support has not reinforced a coherent agenda for long-term development. It has also attempted to sketch the agenda and conditions necessary to make progress in these two directions. Whether or not African countries are ultimately capable of making determined progress toward achieving robust sustained growth and development depend on the extent to which the conditions outlined in earlier sections of this paper can be created and fulfilled.

One crucial aspect is that African countries must take charge of their own destinies. Recently, many partners of Africa and the Africans themselves have proclaimed the desirability of this seemingly obvious objective. The tricky issue is whether Africans are, in reality, able to take this initiative. This can happen if there is mutual interest and genuine desire by both African governments and their partners to achieve this goal. While the Africans must be aggressive in their approach to this issue, success will be a shared responsibility of the Africans and their partners. A new ethic in international development cooperation with Africa must emerge if

Africa is to change its fortunes for the better.

Another aspect which merits emphasis is the interplay between the political and economic factors. Less than three years after the Gambia and Nigeria were proclaimed as two of the six countries with the "largest improvement in GDP per capita growth" due to "large improvement in macro economic policies", political instability is now threatening growth prospects in these countries. Political instability in Burundi - a country in the next World Bank group of nine adjusters - has similarly affected growth adversely. As a result of political instability and other factors, growth rates have slowed down in recent years in all three countries. Real GDP growth rates in Nigeria were estimated at 5.1% in 1992 and 4.1% in 1993, below an average rate of 5.3% in 1988-93. In the Gambia, growth rates stood at 1.4% (1992) and 1.5% (1993) compared to an average of 3.4% in 1988-93. If this trend continues, the number of the so-called 'star performers' would, then, be reduced by one third, from 6 to 4 countries. In Burundi, growth rates were 2.7% (1992), and -1.2% (1993), compared to 3.0% during 1988-93. The socio-political realities are such that very few countries are immune to political destabilization and social unrest.

These realities and the lesson that showcase countries such as Cote d'Ivoire and Kenya where growth averaged over 8% up to 1980 and has since then tumbled down to - 0.3% in Cote d'Ivoire and 3% in Kenya[11] - should inject more realism in appreciating the totality of the factors making for sustainability of growth and development in Africa.

An unprecedented opportunity has presented itself, in that more than ever before, there is now greater understanding that development policies in Africa need to move beyond adjustment, that economic and financial liberalization policies have serious limitations and also adverse effects; and that the state must play an enabling as well as a proactive role to correct for market failures and provide targeted support to spur and sustain growth and development.

The question is, however, whether this emerging consensus will be translated into operational strategies, policies and approaches. There is an

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[11] Average growth rates were: Côte d'Ivoire: 9.7% (1965-73); 6.8% (1974-80); -1.1% (1988-93); -0.7% (1992); 1.0% (1993). Kenya: 8.3% (1965-73); 3.4% (1981-87); 2.7% (1988-93); 0.7% (1992); -1.0% (1993). (See GCA, 1995b: page 36).

urgent need for African countries to move with determination in that direction. Africa's partners must 'create space' for the Africans to take effective leadership in development efforts and they must form effective partnerships with African countries to support, in a coordinated and synergistic manner, the agenda of sustained human-centred development and structural transformation. Organizations of the UN system, Africa's regional organizations and other Africa-related fora, such as the GCA and the North-South Round Table (NSRT), have a major responsibility to push for and advance progress in that direction. Ultimately, however, it is the pressure of the African civil society and its organizations; the seriousness of African governments; and the realization by Africa's partners that the cost of development failure in Africa is not morally and financially sustainable that are likely to make change possible.

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Tables

Table 1: Human Development Index of African Countries (1992)

	Human develop-ment rank	Human development index	Life expectancy at birth (years)	Adult literacy rate(%)	Combined 1st, 2nd, 3rd level gross enrolment ratio(%)	Real GDP per capita (PPP$)	Real GDP per capita (PPS$) rank minus HDI rank*
High Human Development (0,800 and above)							
Mauritius	60	0,82	70,2	81	59	11,700	-28
Seychelles	62	0,810	71	77	61	5,619	-5
Medium Human Development (0,500 to 0.799)							
Libya	73	0,77	63,1	73,4	66	5,257	-38
Botswana	74	0,76	64,9	67	71	5,120	-7
Tunisia	75	0,76	67,8	62,8	64	5,160	-9
Algeria	85	0,73	67,1	57,4	66	4,870	-15
South Africa	95	0,71	62,9	81	76	3,799	-15
Egypt	107	0,61	63,6	49,1	67	3,540	-23
Namibia	108	0,61	58,8	40	81	4,020	-31
Gabon	114	0,58	53,5	59	47	3,913	-36
Morocco	117	0,55	63,3	40,6	43	3,370	-26
Zimbabwe	121	0,54	53,7	83	70	1,970	0
Congo	122	0,54	51,3	71	56	2,870	-21
Cape Verde	123	0,54	64,7	66	59	1,750	4
Swaziland	124	0,52	57,5	74	70	1,700	7
Cameroun	127	0,5	56	60	50	2,390	-12

Table 1 (continued)

	Human development rank	Human development index	Life expectancy at birth (years)	Adult literacy rate(%)	Combined 1st, 2nd, 3rd level gross enrolment ratio(%)	Real GDP per capita (PPP$)	Real GDP per capita (PPS$) rank minus HDI rank*
Low Human Development (below 0,500)							
Ghana	129	0,48	56	61	45	2,110	-10
Kenya	130	0,48	55,7	75	57	1,400	7
Lesotho	131	0,47	60,5	69	57	1,060	17
Sao Tomé & Principe	133	0,45	67	60	48	600	36
Madagascar	135	0,43	56,5	81	35	710	30
Zambia	136	0,43	48,9	75	49	1,230	6
Comoros	139	0,42	56	56	37	1,350	-1
Togo	140	0,41	55	48	60	1,220	4
Nigeria	141	0,41	50,4	53	51	1,560	-6
Eq. Guinea	142	0,4	48	75	60	700	25
Zaire	143	0,38	52	74	39	523	29
Sudan	144	0,38	53,0	42,7	31	1,620	-10
Cote d'Ivoire	145	0,37	51	37	39	1,710	-15
Tanzania	147	0,36	52,1	64	34	620	21
Central Afri. Republic	149	0,36	49,4	54	37	1,130	-2
Mauritania	150	0,36	51,5	36	32	1,650	-18
Senegal	152	0,34	49,3	31	31	1,750	-25
Djibouti	154	0,34	48,3	43,2	18	1,547	-18
Benin	155	0,33	47,6	33	34	1,630	-22
Rwanda	156	0,33	47,3	57	39	710	9
Malawi	157	0,33	45,6	54	46	820	-2
Uganda	158	0,33	44,9	59	37	860	-4
Liberia	159	0,33	55,4	35	17	1,045	-9
Gambia	161	0,3	45	36	33	1,260	-22
Chad	162	0,3	47,5	45	28	760	-2
Guin.-Bissau	163	0,29	43,5	52	28	820	-8
Angola	164	0,29	46,5	43	33	751	-3
Burundi	165	0,29	50,2	33	31	720	-1
Somalia	166	0,25	47	27	7	1,001	-14
Mozambique	167	0,25	46,4	37	25	380	6
Guinea	168	0,24	44,5	33	22	592	2
Burk. Faso	169	0,23	47,4	17	19	810	-10
Ethiopia	171	0,23	47,5	33	14	330	3
Mali	172	0,22	46	27	15	550	-1
Sierra Leone	173	0,22	39	29	28	880	-20
Niger	174	0,21	46,5	12	14	820	-18

Source: UNDP, 1995: pages 155-157.

* A positive figure shows that the HDI rank is better than the real GDP per capita (PPP$) rank, a

negative the opposite

Table 2: Gross Domestic Savings in Africa ***(as percentage of GDP)***

	'65-'73	'74-'80	'81-'87	'88-'93	'92	'93
Sub-Saharan Africa	18.40	23.40	17.70	17.60	14.80	..
Excluding South Africa	14.70	20.30	13.20	13.80	11.90	..
Excluding South Africa and Nigeria	15.40	15.70	12.8	11.4	9.50	9.6
1 Botswana	3.10	20.30	29.70	39.10	38.60	35.00
2 Gabon+	39.80	60.90	46.80	37.30	35.40	34.90
3 Mauritius	13.50	21.60	20.60	24.10	25.00	24.20
4 Angola	..	..	20.80	23.80	..	..
5 Seychelles	0.00	31.00	21.80	23.50	14.20	8.70
6 South Africa	26.90	32.40	28.40	23.10	19.00	19.40
7 Nigeria	12.60	26.90	13.90	22.40	22.70	..
8 Zimbabwe	22.30	19.90	18.40	21.00	13.40	21.30
9 Kenya*	20.10	20.50	20.50	19.10	17.60	21.10
10 Congo+	6.50	17.50	33.90	17.80	11.80	7.60
11 Côte d'Invoire*+	12.90	26.90	20.90	14.90	16.40	16.30
12 Guinea	..	..	16.20	13.20	10.20	9.60
13 Zambia	42.00	27.00	14.60	13.10	10.80	9.50
14 Togo*+	24.00	29.60	17.90	12.70	12.00	4.00
15 Cameroun*+	12.90	16.70	29.20	12.60	9.50	9.80
16 Swaziland	26.00	25.70	10.50	12.20	10.90	1.60
17 Zaire	11.40	12.40	10.40	11.80	..	..
18 Mauritania*	28.00	3.80	4.30	11.10	9.30	13.00
19 Sierra Leone*	11.50	4.00	7.60	8.30	10.50	5.10
20 Namibia	..	..	11.00	7.70	1.50	..
21 Senegal*+	8.60	8.00	0.40	7.20	7.20	7.40
22 Niger+	3.50	10.10	6.30	7.10	1.80	1.30
23 The Gambia*	0.70	2.90	6.20	6.70	2.50	..
24 Malawi*	5.30	16.40	13.30	6.30	1.80	5.10
25 Ghana*	10.50	8.20	5.80	5.10	1.80	-1.20
26 Mali*+	8.20	-1.90	-2.10	5.00	4.80	5.70
27 Madagascar*	4.40	2.70	2.40	4.90	3.50	1.90
28 Sudan	11.40	8.70	4.90	4.50	..	..
29 Benin*+	3.20	0.50	1.20	3.90	3.90	3.20
20 Tanzania*	17.50	13.20	9.90	3.70	4.60	..
31 Burkina Faso*+	0.50	-1.50	-4.20	3.10	2.90	2.20

32 Ethiopia*	11.80	6.10	3.30	3.00	-0.50	1.60
33 Rwanda*	2.80	7.00	6.10	2.80	-1.10	..
34 Uganda*	13.20	..	2.40	0.80	-0.10	1.50

Table 2 (continued)

	'65-'73	'74-'80	'81-'87	'88-'93	'92	'93
35 Central Afican Republic*+	5.50	-0.90	-2.10	0.60	3.30	1.50
36 Cape Verde	..	-28.00	-4.90	-2.50	-3.00	..
37 Comoros*+	..	..	-3.70	-2.90	0.60	0.40
38 Burundi*	3.70	3.40	4.40	-3.40	-2.90	-18.10
39 Somalia	5.20	-4.50	-7.00	-4.30	..	..
40 Equatorial Guinea*+	21.00	5.70	-9.60	-8.30	2.80	7.50
41 Djibouti	..	..	-2.80	-9.80	-10.70	-14.10
42 Guinea Bissau*	-5.30	-7.90	-3.90	-11.30	-22.00	-2.50
43 Mozambique*	..	..	-5.50	-13.10	-13.40	-11.00
44 Chad*+	7.40	4.80	-12.90	-13.70	-13.60	-9.90
45 Sao Tomé and Principe	17.40	2.50	-17.10	-20.80	-24.00	-11.00
46 Lesotho	-35.10	-66.80	-79.30	-47.50	-44.80	-42.10
47 Liberia	38.40	29.80	14.70	..	..	0.00
North Africa	21.90	31.70	31.50	..	..	..
All Africa	19.30	25.90	21.70	19.90	17.60	..
China	..	..	..	..	..	..
India	15.80	20.00	20.40	23.50	23.40	24.30
Indonesia	13.30	29.30	30.00	35.70	37.30	33.10
East Asia (excl. China, Indonesia)	18.70	24.90	29.80	41.50	41.40	41.50
South Asia (excl. India)	7.80	6.00	8.00	11.60	13.60	12.8

.. Not available;
* SPA countries
\+ CFA countries

Source: GCA, 1995b, page 37.

Table 3: Gross Domestic Investment in Africa ***(Percentage of GDP)***

	'65-'73	'74-'80	'81-'87	'88-'93	'92	'93
Sub-Saharan Africa	19,6	24,2	19	17,4	16	n/a
Excluding South Africa	16,6	22,6	16,9	16,8	16,7	n/a
Excluding Africa and Nigeria	16,7	20,9	18	17,2	16,5	16,6
1 Lesotho	12,9	28,6	44,1	67	69,6	75,7
2 Sao Tomé and Principe*	17	24,9	34,7	48,9	57	72,2
3 Tanzania*	19,2	23,8	20	38,4	41,9	n/a
4 Mozambique*	n/a	n/a	18	37,7	38,4	41,5
5 Cape Verde	n/a	41,6	51,8	32,6	36,6	n/a
6 Botswana	33,4	38,8	30,3	30,2	35,6	38,3
7 Mauritius	15	28	22	29,6	28,5	29,4
8 Guinea-Bissau*	25,3	20,2	28,2	28,9	26,5	24
9 Gabon+	37,4	48,8	35,5	27,3	21,4	21,6
10 Equatoraial Guinea*+	18,2	14,6	13,4	26,4	24,2	25,1
11 Somalia	12,3	27,8	27,4	23,2	n/a	n/a
12 Seychelles	n/a	38,7	24,7	23	18,5	23
13 Zimbabwe	20,9	19,2	19,3	22,3	24,3	22,5
14 Mauritania*	20,3	32,1	31,5	22	22,5	24,8
15 Mali*+	17,7	16	17,9	21,9	21,9	21,9
16 Togo*+	16,9	33,6	24,8	21,9	21,9	11,7
17 Swaziland	21,2	30,7	26,7	21,7	25,3	20,2
18 Kenya*	21	23,3	23,3	21,5	17,5	16,1
19 Burkina Faso*+	13,2	22,6	19,8	21,4	21,4	22,1
20 The Gambia	8,2	18,2	18,5	19,4	19,6	n/a
21 Malawi*	19	29,3	17,3	18,3	18,8	12,9
22 Comoros*+	n/a	n/a	30,7	18,2	20,2	15,4
23 South Africa	26,5	28,5	24	18	15,1	15,1
24 Congo+	28	31,5	36,6	16,5	16,8	14,2
25 Guinea*	n/a	n/a	14,8	16,4	16,9	16,4
26 Djibouti	n/a	n/a	21,4	16,1	15,7	12,8
27 Namibia	n/a	n/a	18,2	15,8	11	n/a
28 Nigeria	16,1	24,8	15	15,3	18,2	n/a
29 Cameroun*+	14,9	19,9	26,2	14,6	11,1	10,8
30 Ghana*	12	9	7,3	14,6	12,6	14,8
31 Rwanda*	8,5	14	15,6	14,5	15,6	n/a
32 Zaire	14,4	15,1	11,2	14,5	n/a	n/a
33 Burundi*	6,3	10,7	17,3	14,3	18,6	2,3
34 Sudan	12	17	14,3	13,8	n/a	n/a

Table 3 (continued)

	'65-'73	'74-'80	'81-'87	'88-'93	'92	'93
35 Benin*+	11,4	17,5	15,5	13,7	13,8	15,2
36 Uganda*	12,3	n/a	7,9	13,3	14,4	14,5
37 Zambia*	30,4	27,9	16,7	13,1	14,1	10,7
38 Senegal*+	14	17,3	11,4	13	13,4	14,1
39 Angola	n/a	n/a	18,1	12,8	n/a	n/a
40 Ehtiopia*	12,9	9,3	12,9	12,8	8,7	16
41 Madagascar*	9,4	10,5	9,2	12,5	11,3	11,7
42 Central African Republic*+	19,9	11,4	11,2	11,5	11,8	8,6
43 Sierra Leone*	13,5	13,8	13	11,4	11,7	9,2
44 Côte d'Ivoire*+	14,9	25,6	16,4	10,4	10,9	9,3
45 Niger*+	9,3	21,2	13,4	10,1	5,4	5,7
46 Chad*+	14,3	20,4	6,6	8,7	8,5	9,4
47 Liberia	18,9	29,3	11,8	n/a	n/a	n/a
North Africa	20,3	32,4	30,2	25,8	24,9	25,2
All Africa	19,8	26,6	22,8	20,5	19	
India	17,1	21,1	23,1	25,3	25	24,5
Indonesia	15,7	23,6	28,5	33,9	34,6	30,6
East Asia (excl. China, Indonesia)	21,6	28,2	30,2	40,3	41,7	39,9
South Asia (excl. India)	13,3	14,9	18,5	18,1	18,4	19,5

* SPA countries;
\+ CFA countries;

Source: GCA, 1995b, page 38.

Table 4: Africa's 1990-1993 Market Loss Relative to 1970-1973

Commodity	Market Share		Loss in market shares in 1990-1993 relative to 1970-1973
	1970-73	1990-93	
Cocoa	83.1	60.7	27.0
Coffee	27.6	16.1	41.7
Copper	26.4	13.6	48.5
Cotton	16.1	11.5	28.6
Iron ore	12.7	5.6	55.9
Timber	6.0	3.1	48.3

Sources: ECA (1995c); UNCTAD Commodity Year Books (various issues); UN Monthly Bulletin of Statistics (various issues).

Table 5: Diversification and Product Concentration Indices for African Countries, 1970-1990

Oil exporters	Number of commodities exported		Diversification Index		Concentration Index	
	1970	1990	1970	1990	1970	1990
Countries/Groups						
Libya	31	37	0,95	0,89	1	0,84
Algeria	76	85	0,83	0,88	0,65	0,55
Gabon	21	39	0,88	0,91	0,5	0,77
Nigeria	83	117	0,88	0,92	0,58	0,95
Congo	18	26	0,9	0,89	0,49	0,71
Cameroon	61	116	0,83	0,78	0,37	0,27
Egypt	87	154	0,78	0,7	0,44	0,44
Non-oil Exporters						
Zambia	22	45	0,96	0,93	0,95	0,82
Mauritius	9	101	0,97	0,71	0,93	0,34
Tunisia	70	174	0,75	0,67	0,26	0,2
Senegal	82	92	0,79	0,86	0,31	0,28
Côte d'Ivoire	81	130	0,86	0,86	0,42	0,31
Zimbabwe	-	165	-	0,78	-	0,33
Morocco	84	155	0,82	0,76	0,29	0,17
Ethiopia	33	29	0,66	0,93	0,6	0,7
Ghana	24	56	0,94	0,91	0,75	0,38
Malawi	23	29	0,91	0,93	0,47	0,69
Kenya	17	123	0,92	0,81	0,5	0,31
Tanzania	49	74	0,85	0,83	0,26	0,26
Uganda	28	26	0,92	0,95	0,6	0,7

Sources: ECA, 1995c, page 30.; UNCTAD, Handbook of International Trade and Development Statistics 1984, 1991; ECA Secretariat calculations.

Table 6: Africa's External Debt and Debt Service, 1991-1994

	1991	1992	1993	1994*
Total external debt (Billions of dollars)				
Total Africa	299.9	297.3	301.7	312.2
North Africa[a]	119.5	118.0	117.9	118.5
Sub-Saharan (excluding South Africa)	163.3	162.9	169.0	177.1
South Africa	17.1	16.4	14.8	16.6
Debt service paid (Billions of dollars)				
Total Africa	29.7	29.0	28.3	26.3
North Africa	15.8	16.1	16.3	16.5
Sub-Saharan (excluding South Africa)	10.2	8.6	7.4	8.2
South Africa	3.7	4.3	4.6	1.6
Debt Service due (Billions of dollars)				
Total Africa	44.1	39.8	39.8	n/a
North Africa	23.1	18.4	18.5	n/a
Sub-Saharan Africa	21.0	21.4	21.3	n/a
Debt to GDP Ratios (%)				
Total Africa	67.1	65.6	66.1	71.6
North Africa	66.8	67.9	62.8	65.4
Sub-Saharan Africab	67.3	64.2	68.5	76.0
Sub-Saharan (excluding South Africa)	102.1	98.9	107.9	126.0
South Africa	15.8	14.3	13.2	14.5
Debt to goods and services exports				
Total Africa	223.3	216.7	228.0	231.3
North Africa	222.1	210.7	215.1	223.6
Sub-Saharan Africab	224.1	220.8	237.2	236.2
Sub-Saharan (excluding South Africa)	310.5	312.7	338.7	334.2
South Africa	61.3	56.3	51.3	55.3
Debt service to goods and services exports				
Total Africa	22.1	21.1.	21.4	19.5
North Africa	29.4	28.8	29.7	31.1
Sub-Saharan Africab	17.3	15.9	15.5	12.0
Sub-Saharan (excluding South Africa)	19.4	16.5	14.8	15.5
South Africa	13.3	14.7	15.9	5.8

Sources: ECA secretariat calculations from World Debt Tables, 1994-1995 and various sources; ECA, 1995c, page 38.

* Preliminary estimates; a including the Sudan; b including South Africa