

## **Building capable states in Africa: policy priorities for the G8**

**Hilary Benn**

**UK Secretary of State for International Development**

**6 December 2004**

Three weeks ago Thabo Mbeki gave a speech to the European Parliament. He quoted Pliny the Elder – not a politician's normal source of quotation – who in the 1<sup>st</sup> Century said.... '*out of Africa there is always something new*'.

Now, some might say – yes, a new crisis. A new disaster. A new conflict. The sort of response that led the *The Economist* to put a map of Africa on its cover four years ago under the headline 'The Hopeless Continent'.

Not so, said Mbeki, as he spoke passionately about '*the new Africa that is striving to be born... the new Africa that has taken firm steps to give meaning to the goal of political and economic integration .... an Africa that must be its own liberator....*'

I agree. Africa now has a real opportunity to turn itself around, by its own will and its own efforts. It is a process that has to be led by Africans – leaders, civil servants, the business community, civil society, people; ordinary citizens. African governance is above all the responsibility of African governments – their relationships with their citizens, and the good that they can do for them.

But for this truly to happen, the reality of Africa's failed or weak states must be faced up to.

Where could be more 'incapable' than Zimbabwe? Two weeks ago, on the very day that it first banned the British media from covering the England cricket tour, it launched a Bill literally to drive out thousands of the aid workers who have been a last line of defence for a population already threatened by famine and an HIV-AIDS epidemic. There are

some 3,000 NGOs, employing 20,000 people, in Zimbabwe. Zimbabwe has seen collapsing agricultural output, 300% inflation and 80% unemployment. It is ‘failing’ by the minute.

Or take Darfur. There will be no development there unless and until the fighting stops and a political settlement is made. Or take the DRC. Or Liberia. Or Cote d’Ivoire.

And yet for all these examples of a failure of governance, there are also examples of capable states that illustrate Mbeki’s words about a ‘new Africa that is striving to be born’. Take two seemingly different examples, both of which are now facing a third round of elections since emerging from civil war. Uganda with a British colonial past; Mozambique with a Portuguese one. Both have suffered – Uganda under Amin and Obote, and Mozambique in a 16-year civil war. Yet both are African success stories – over the past ten years and more they have painstakingly built increasingly ‘capable states’.

In Mozambique, the proportion of those living in poverty has fallen from 70% to 50%, while the number of children in school has doubled. President Chissano of Mozambique announced very publicly at the last AU Summit in Addis Ababa in July that, once his two terms as President end in the New Year, he would be stepping down and hoping to take up new work in a civil society organisation.

In Uganda, the reduction in poverty has been even more dramatic, down from 65% to 35%. Uganda has blazed a trail in fighting AIDS, first and foremost by admitting that there was a problem in the early 1990s, and committing both to talking about it and fighting it. HIV infection has dropped from 16% to 8%.

I’d like this morning to try and address three questions:

- \* What do we mean by ‘capable states’?
- \* How far has Africa got in achieving them?
- \* And what more can the international community do, to support African governments in helping to create them?

Agreeing a definition of ‘capable states’ is not just an academic exercise. It should concern every single democracy - not just in Africa, but around the world. When Abraham Lincoln talked of government ‘of the people,

by the people, for the people’, he meant, among other things, government that offers its citizens peace and security .... a judicial system enshrined in impartially administered law, revenue collection and its effective use, business affairs, and property .... a political system that allows and reflects all views, and that challenges and changes its leadership by free and fair election .... a free press, and a lively civil society.

A capable state is a prerequisite for economic growth. It creates the environment which allows it to happen. It also offers the chance for the fruits of that growth to be shared by all. Capable states demonstrate governance at every level. They are at war with corruption. ‘Good governance’ – which for so long in Africa was about getting power and keeping it – is in reality about serving the people. It’s about giving them both a tangible present and future benefit – in education, health, social security, sanitation, water, electricity, housing. It’s about efficiency, transparency, and accountability – right across the executive, the judiciary, and the legislature. On a more human scale, it’s about feeling confident at what will happen if you have to go to court or pay a water bill, or if you want to write a letter to the editor of a newspaper or make a request to your local or your national government.

Building capable states is therefore about laying the very foundations of an orderly society. It involves a process from which we have to learn, often by painstaking experience and mistakes. And yet it is a goal cherished on every continent.

To understand the extent of Africa’s progress towards this goal, it pays to look back. Some fifty years ago, new African nation states were emerging from colonialism carrying a great deal of heavy and difficult baggage. Whatever honeymoon there was, it was short: many of the new states fell foul of the forces of the Cold War. Many of the leaders who emerged from the late 1960s expected their words to be law. Many held a tight and often brutal grip on power. Small elites thrived; civil servants, police and soldiers took their cuts and wielded their power over their little fiefdoms. Ordinary citizens suffered. And the situation stayed the same through much of the 70s and 80s. 20 years ago, there were as many as 20 conflicts in Africa.

But from the early 90s, things began to change, not least with the end of apartheid in South Africa. Africa began a slow process of change, and then in 2002 the Africa Union was founded in Durban. The AU differs

from its predecessor the Organisation for African Unity in one very important respect. As well as its clear statement that it enshrines democratic principles and the rule of law, it has also moved from a stance of 'non-interference' in its member states to one of 'non-indifference'. It intends to help create and sustain capable, peaceful and democratic states in Africa, and it will intervene in a member state if that democratic principle is violated.

From the AU came the New Partnership for Africa's Development (NEPAD), with a progressive view on growth and development, and a commitment to establish relationships with donors and the rest of the world, based on mutual responsibility and accountability.

Within NEPAD is the Africa Peer Review Mechanism – the APRM – in which African states commit to look at each other and be looked at, and to share best practice on the business of government and economic development. 23 countries are signed up to the Mechanism, and four Reviews are already underway in Ghana, Rwanda, Mauritius and Kenya. The Mechanism is bold; it's radical; it's rigorous. It is largely self-financed; it's inclusive, especially in involving members of civil society; and it goes a step further to ensuring that government is truly designed for the benefit of citizens.

Just as the new Accession states of the European Union worked tremendously hard for 15 years to reach the stage where they - and their neighbours, and the Union itself - could be in no doubt that their candidature for EU membership was as solid as it was well merited, so perhaps the APRM can become the best forum for this local incentive in Africa.

The regional and shared character of the African transformation is also visible in conflict resolution: in the work of ECOWAS in Cote d'Ivoire; the African Union in Burundi and especially in Darfur, where - amidst the current shame and horror of the world's worst humanitarian disaster - the AU is beginning to consolidate its role as an important and respected arbiter.

It's visible, too, in the UN Economic Commission for Africa, led by K. Y. Amoako, which has just charted the vision and its progress in its recent governance research across 28 African countries.

Elections are now more likely to be the way in which governments are changed: Botswana's latest election turnout of 60% - well below the 75% African average - was still more than the so-hotly-contested recent US presidential election. The plethora of political parties; the way in which women occupy 25% of seats in some African Parliaments – in both, Africa fares as well as anywhere. There is a huge growth in African civil society and its participation in Government; while the media has also grown rapidly, especially with radio as the means of informing and increasingly involving African citizens in the way their countries are run.

The ECA quotes Ghana, with 40 new radio stations and three television stations in the space of a decade. It cites improvements in economic and financial management – above all in collecting, accounting for and using tax revenues. And even where tax evasion is seen to be endemic, it points to attempts to counter this, like Botswana's Directorate on Corruption and Economic Crime, and Nigeria's Commission on Financial Crimes.

ECA's indicators, along with those of the World Bank, the UNDP and NGOs like Transparency International, paint a clear picture of Africans looking critically at African challenges, and of capable states being built by involving ordinary people in government, and by those people being able to hold governments to account. Of course, weak institutions persist, and corruption persists. No one thinks that the job is done – but change is occurring.

So what can we do to help, especially in 2005 - year which offers us a unique opportunity. The UK will be at the centre of the year – as a partner of Africa, as the originator of the Commission for Africa, and as the Presidency of both the EU and the G8 next year. The international community will also be called upon to honour its side of the bargain. At the Millennium Review Summit in New York next September, we will all see where Africa stands on meeting the Millennium Development Goal targets for 2015, and we know what the answer will be. Sub-Saharan Africa isn't making enough progress, and we will face a stark choice. Are we going to accept waiting another 120 or 150 years to reach those targets? No, we can't. So how can we - together - turn this round?

The Commission for Africa has been grappling with this issue. It won't suddenly announce that it has found the answer - we know what needs to happen - but it is about helping create the political will to make those things happen.

It has just launched its consultation paper. It is full of ideas – many drawn from work in Africa, from the principles and approaches laid out by the AU and NEPAD. None of the ideas are finalised – they are work in progress. Some are quite provocative. It's all on the web, and it's now the focus of five regional consultation events in Africa.

Part of the CfA's task will be to get donors to live up to their commitments – for example on aid, trade and debt relief – the three areas in which we bear the greatest responsibility to make progress. The G8 Summit in Gleneagles in July will hear a constant refrain of 'more aid and better aid, less debt and more trade'.

We, for our part, have announced our intention and timetable to reach the UN target of 0.7% of UK annual income being spent on aid by 2013. Our aid to sub-Saharan Africa has more than doubled to nearly £720 million in the last 7 years, and will reach £1.25 billion in 2007/08.

As well as looking to states to make commitments to meet the 0.7% target, we will also be pushing for the proposed International Finance Facility – which is already supported by France and very recently Italy, and which will see its 'front-loading' model piloted in GAVI, the Global Alliance for Vaccines and Immunisation. A GAVI 'IFFImm' could potentially generate \$4 billion up-front, and save 5 million lives. The IFF is about halving poverty by doubling aid – by no less than \$50 billion a year for each of the next 10 years. Africa must be assured of the fact that international aid flows will be stable, predictable, and substantial.

'Better aid' means that we must match our priorities with those of African states. States which must lead their own reform processes. As donors, we must get our act together, and not impose too great an administrative burden on those to whom we give or loan our money. In advance of the Paris OECD/DAC Forum on Harmonisation in March, the UK is contributing to the EU's ideas on how to promote this. And where a direct partnership with the government is not possible, as in Somalia or Zimbabwe, donors can work directly with communities, local administrative bodies, and civil society groups.

The next issue is trade. Africa attracts less than 1% of world trade, down from 5% in 1948. We know, too, Oxfam's recent estimation that an increase of just 1% of Africa's share of world exports would be worth

five times as much as the continent's share of aid and debt relief put together. The new EC Trade Commissioner Peter Mandelson has stated very clearly that his priority is to conclude trade deals that benefit the poorest. I welcome this commitment. It has to mean scrapping subsidies, removing trade barriers, reforming the EU's Common Agricultural Policy, and gradually building up developing country capacity to enter into and compete on the global market, so that they can earn and trade their way out of poverty.

The UK will also continue to push for further debt relief, to help African states to throw off the heavy shackles of obligation, and reinvest resources in the future – in health and education. The Heavily Indebted Poor Countries Initiative has, to date, delivered over \$70 billion in debt relief for 27 countries, 23 of them in Africa, in the process reducing their debts by around two-thirds on average. G8 leaders recently agreed to extend the HIPC Initiative by two years, potentially allowing a further 10 eligible HIPC countries to benefit to the tune of up to \$30 billion. We will continue to push the G8 on this. The UK has said that it will relieve those countries still under the burden of debt to the World Bank and the African Development Bank, by unilaterally paying our share of the cost of servicing this debt, i.e. 10%. Again, we will push others to do the same, just as we will push for the cancellation of debts owed to the International Monetary Fund by the revaluation of IMF gold.

There are four other ways in which the UK and the international community can continue to support the building of capable African States in 2005.

The first is the HIV and AIDS epidemic which affects nearly 27 million people in sub-Saharan Africa. It threatens the very heart of state capability. How, for instance, can South Africa see the benefits of its investment in education if between 80,000 and 130,000 of its teachers will have died from AIDS-related illnesses by 2010? And what should Botswana, one of the best run African states, do when its President Festus Mogae admits that AIDS threatens everything it has achieved?

Again, the UK is playing its part in the fight. £1.5 billion is being invested over the next three years. We're helping with distributing condoms. Vital research is underway into microbicide gels, vaccines and children's antibiotics. But we are part of a global effort – channelling funds through UNAIDS, the WHO and the Global Fund, and endorsing

the Three Ones principle of one national AIDS coordinating body, one strategy, and one evaluation framework. We continue to work with African governments as they – through leadership, prevention, treatment, education – fight this threat to their countries' futures.

The second area is the role of the private sector in building and maintaining the capable state. I said at the outset that the capable state is the prerequisite for economic growth. To some extent, the same is true in reverse, especially in the area of natural resources, where the bad governance of Africa's oil, gas and mineral deposits has managed to destabilise economies, harm the environment, and compound the problem of poverty.

Angolan and Nigerian oil are merely the best known examples, chosen from many. Botswana, on the other hand, is an example of how good governance of natural resources can lead to real development. The UK helped to address the issue by launching the Extractive Industries Transparency Initiative, EITI, at the Johannesburg Summit in 2002. It works on a very simple principle; disclosing who pays what to whom. Pilot schemes are under way in Nigeria and Ghana in Africa. We will continue to try and expand the EITI: we are hoping for up to 20 member countries by the end of next year.

The effect of EITI is real. In May of this year, Chevron Texaco declared a £300 million payment to the Angolan finance Minister, who in turn published this receipt so that Angolan citizens and the international community could hold the government accountable for the use of the money. What might have gone into fuelling Angola's corruption, can now go into health and education.

The third way we can help is to bring about the principle of 'mutual accountability' between the G8 on the one hand, and the AU and NEPAD on the other. This is the foundation of that partnership. Tony Blair has said that he will make Africa and Climate change the focus of our chairmanship of the G8 in 2005, and we want the outcomes from our G8 Summit to be monitored, and for donors and African Heads to be held accountable for them.

As donors, we must show African governments that our aid is dependable, and our policies coherent. We can't go on giving aid with one hand, and undermining African trade with the other. Meanwhile



African governments have to show donors that they are increasingly providing their citizens with investments in education and health, and in a society which welcomes dialogue and encourages growth.

In 2005, the ECA and the OECD will produce a report about how well both Africa and its donors are living up to their mutual expectations.

The fourth, and final, area where we can make a real difference is conflict. African governments have the primary responsibility to avoid conflict and ensure the security of their citizens. But where the state fails to deliver, as we have seen in Darfur and northern Uganda in recent months, the international community has a responsibility to protect people from harm.

The African Union, with financial support from the EU, has made an important start in Darfur. But we need to do much better, and the coming year presents the first real opportunity since 1945 to reform the international security system. Kofi Annan's High Level Panel reported last week with proposals for a reformed Security Council and a new Peacebuilding Commission.

Now is the chance for the UN to identify state crisis in advance; to work more effectively in co-operation with the World Bank and others to prevent crisis; and to act decisively when human security is at risk.

So, in conclusion, I think we can safely say - and Pliny the Elder might approve - that there is something new here from Africa, and for Africa. I believe that the continent's future lies in its own hands, and above all in the hands of its people. I believe in the power of people and politics to change things for the better, and I share a belief in what Thabo Mbeki in Strasbourg called the 'triumphant resurgence of everything that is good and noble in the human soul'.

Africa needs that resurgence. Its peoples' future depends on it, and it is our task to help them as they seek to achieve it.