

EXECUTIVE SUMMARY

International development policy – and Africa in particular – have perhaps never had such high profile as they currently have in the UK (United Kingdom). ‘Double aid to half poverty’ characterises the current narrative of UK aid policy in Downing Street. What is also clear is that there will continue to be a massive political push on issues of African development throughout 2005.

In order to inform this unprecedented focus on African development, UK Prime Minister Tony Blair launched the Commission for Africa (CFA) in February 2004. This was set up as an independent body with seventeen Commissioners, nine of whom are African. The Commission for Africa’s report – *Our Common Interest* – was published on 11 March 2005 and highlights poverty in Africa as ‘the greatest tragedy of our time’.

Virtually all UK commentators agree that the CFA Report provides an extremely comprehensive and useful analysis of the challenges facing Africa and possible responses to this. People will continue to argue about its content, but overall most accept that it clearly is a landmark publication.

This report draws on the CFA report itself and comments published in the UK soon after its release. The aim is to help stakeholders in Japan (and elsewhere) better understand (i) What is in the CFA report – focusing on the six areas mentioned above; and (ii) Responses of the development community in the UK to the CFA report. The main areas where action is proposed (as set out in the Executive Summary) are clustered into six areas, discussed separately here.

Getting systems right: Governance and Capacity Building

Governance is termed the key issue by the CFA report: ‘the issue of good governance and capacity-building is what we believe lies at the core of all of Africa’s problems.’ The CFA identifies two main components of good governance with a range of measures proposed under each: capacity - ability to design and deliver policies; and accountability - how the state answers to its people. The CFA also highlighted a number of measures to reduce corruption.

The responses in this area were interesting - by far the largest number of responses to any area of the report came here. While overall there was agreement with the central role given to governance, commentators particularly felt that the CFA report lacked depth in two main areas:

- Internal causes of poor governance – the report did not cover the fundamental role the political system plays in Africa’s problems, namely, its ‘neo-patrimonial’ nature: African states are not developmental.
- What can be done to address poor governance – due to the political nature of much of the problem, experience with primarily technically focused programmes such as ‘governance reforms’ and ‘capacity building’ have had limited success. Donors need to develop a more political understanding of the role aid plays and focus on creating incentives to encourage the emergence of developmental regimes. Ultimately, however, only Africans can change their own politics.

The Need for Peace and Security

Ongoing conflict and violence are a key challenge to African development. The key recommendation in the CFA report is to build the capacity of African states and societies to prevent and manage conflict with particular support for the African Union and UN to play a key role. Comments felt that current inequitable access to resources as a major cause of conflict was not adequately highlighted. A related point was the need to recognise the role climate change may play in future in fuelling conflict in Africa.

Leaving No-one Out: Investing in People

The report highlights the widespread lack of access to basic services and that African health and education systems are now on the point of collapse. Solutions proposed mostly concern funding. A balanced emphasis in education on secondary and tertiary education as well as primary was well received. Proposals to fully fund the Global Fund for HIV/AIDS, TB and Malaria were criticised, however, as they seemed to assume that money is the major stumbling block to tackling HIV/AIDS and other diseases; systems and social structures play a greater role and must be seen as key to finding sustainable solutions.

The report is strong on social protection which was felt to be an important innovation although there was too much selectivity on which groups are most in need - orphans and vulnerable children received most attention at the expense of the disabled, refugees, internally displaced persons and the unemployed. Concerning service delivery there was not enough attention on the problems of differential access to healthcare in urban and rural areas and the role of the state and non-state actors in service provision was left ambiguous.

Going for Growth and Poverty Reduction

The report is unambiguous that growth is needed to reduce poverty. Priorities for growth are agriculture, especially small farms, small businesses in general, and also jobs in urban areas to counter-act what is described as 'premature urbanisation'. A lot of emphasis was placed on the role of infrastructure in encouraging growth.

Emphasis on infrastructure was well received - it also echoes the conclusions of the earlier 'Sachs report'. However, the CFA authors shied away from discussion of macro- and meso-economic reforms and the role of land rights. There was also criticism that the recommendation was to only 'reduce' the use of policy conditionality. Inadequate attention was also given to types of growth: some African countries have recently experienced strong growth but there are questions concerning the social impact of this. The impact of growth on levels of inequality and environmental sustainability must also be considered.

More Trade and Fairer Trade

The analysis in the CFA report identifies that Africa faces two major constraints for trade: It does not produce enough goods, of the right quality or price, to enable it to break into world markets; and it faces indefensible trade barriers which, directly or indirectly, tax its goods as they enter the markets of developed countries. Recommendations includes measures to improve Africa's capacity to trade and donor actions to remove trade barriers.

Comments felt that the analysis was correct in recognizing that ultimately trade, not aid, is the answer. Recommendations for cuts to Northern subsidies were 'radical' but highly unlikely to be followed. The focus on commodities, though, seemed to be in danger of encouraging a 'victimisation psychosis' on trade as Africa has experienced falling market shares for many commodities and Asian exporters faced much worse barriers and have been able to achieve a lot. Regarding the current deadlock in the WTO it was felt that this could be alleviated with a 'development test' of WTO proposals – without something like this the Doha round is unlikely to be successful.

Where Will the Money Come From: Resources

The basic call in the CFA report is for additional aid resources of \$25bn per year by 2010 and then, pending review, another \$25bn per year by 2015. Means of achieving this are: commitment to a timetable to reach 0.7% of national income; the International Finance Facility; and 100 per cent debt cancellation as soon as possible.

Absorptive capacity was highlighted as a concern among analysts although NGOs see this as less of an issue. The need to prioritise spending in the case that not all of these resources are raised was also flagged – the CFA’s approach is that all areas need to be tackled at the same time which seems idealistic and impractical. Overall, a number of commentators questioned the fact that with its primary focus on finance and resources, the premise of the report seemed to be that Africa’s main problem is a lack of resources. Illustrating once again the key nature of governance and, in particular, politics, the emphasis was made that rather than focusing on finding funds, the greater need is to think about *why* funds *so far* have not made much difference.

Whatever the outcome of the Gleneagles G8 Summit and the other events this year, the in-depth analysis provided by the Commission for Africa report and the many considered responses to it, will continue to serve as useful material to inform future decision-making concerning assistance to Africa. The basic points are relevant to all:

- Africa is a major problem.
- It does affect us all.
- Much is changing.
- Much can be done.
- All have responsibility – action needs to be taken.

Change requires political will among G8 and other developed nations as well as in Africa. The CFA process has taken a small step towards building this. The challenge is to seize the opportunity 2005 offers to build on this to work together to make a difference.

Three issues can be seen to have particular relevance for Japan over the long-term:

- One of the big opportunities for Japan is the re-emergence of infrastructure. There is increasing interest for Japan to better understand and share the lessons of its aid and development experience in Asia.
- One particularly challenging area is how Japan can respond to the new emphasis given to governance issues. Currently Japan has much greater experience in technical areas of capacity building rather than political governance.
- Interestingly, in three years time Japan will also be hosting the G8 Summit. This will coincide with the fourth Tokyo International Conference on African Development (TICAD IV). Asia-Africa cooperation and mutual learning is already a core component of the TICAD process and could be a useful way for Japan to contribute during 2005 while looking forwards to 2008. TICAD IV could play a valuable role in reviewing the progress of the recommendations set out by the CFA.