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SITUATION ECONOMIQUE CRITIQUE EN AFRIQUE :

- a) PROGRAMME D'ACTION DES NATIONS UNIES POUR LE REDRESSEMENT ECONOMIQUE ET LE DEVELOPPEMENT DE L'AFRIQUE, 1986-1990;
- b) RAPPORT DU GROUPE D'EXPERTS DU SECRETAIRE GENERAL DE L'ORGANISATION DES NATIONS UNIES SUR LES PROBLEMES DES PRODUITS DE BASE AFRICAINS
- c) LA CHARTE AFRICAINE DE LA PARTICIPATION POPULAIRE AU DEVELOPPEMENT ET A LA TRANSFORMATION

Lettre datée du 24 septembre 1990, adressée au Secrétaire général de l'Organisation des Nations Unies par les Représentants permanents du Botswana et des Pays-Bas

Nous avons l'honneur de vous faire tenir ci-joint le texte de la déclaration de clôture de la Conférence de Maastricht sur l'Afrique, prononcée par le Coprésident de la Conférence, M. Robert McNamara, le 4 juillet 1990 (annexe I), et le document analytique (annexe II).

La Conférence de Maastricht sur l'Afrique (2-4 juillet 1990) a donné à des représentants de haut niveau de pays africains, de pays industrialisés et d'organisations multilatérales l'occasion d'examiner les problèmes économiques de l'Afrique et d'étudier les moyens d'y accélérer le rythme du progrès économique et social. Les débats ont porté sur l'avenir du continent africain; l'accord s'est fait sur l'idée que la qualité des méthodes de gouvernement constituait une condition essentielle du développement économique et social, qu'une coopération et une intégration régionales étaient nécessaires et qu'il fallait réduire les taux d'accroissement naturel, protéger le milieu physique et apporter une aide financière accrue en augmentant les flux de capitaux extérieurs.

En outre, la Conférence a décidé que son travail d'élaboration d'un consensus sur de nouvelles politiques et de nouvelles démarches devrait se poursuivre dans le cadre de conférences de suivi. La prochaine aura lieu à Kampala en 1991.

Nous vous serions obligés de bien vouloir faire distribuer le texte de la présente lettre et de ses annexes comme document de l'Assemblée générale, au titre du point 152 de l'ordre du jour.

L'Ambassadeur,

Représentant permanent des Pays-Bas
auprès de l'Organisation des
Nations Unies

(Signé) Robert J. VAN SCHAIK

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ANNEXE I

Conférence de Maastricht sur l'Afrique

Déclaration de clôture des coprésidents, prononcée
par M. Robert McNamara

La réunion qui s'achève a été extraordinairement féconde et constructive; elle a donné à des représentants de l'Afrique et des pays industrialisés l'occasion unique de regarder en face les problèmes de l'Afrique et d'étudier les moyens d'accélérer le rythme du progrès économique et social pour tous les peuples du continent. Elle n'aurait pu se tenir sans la générosité du Gouvernement néerlandais, auquel nous exprimons notre profonde gratitude.

Au cours de la conférence de presse qui a eu lieu avant le début de la présente réunion, et à laquelle le Président Masire, M. Pronk et moi-même avons participé, j'ai fait les observations suivantes :

"Dans le rapport intitulé 'La CEA et le développement de l'Afrique, 1983-2008', que la Commission économique pour l'Afrique a établi en 1983, on pouvait lire ce qui suit : 'Il ressort de l'étude des perspectives de l'Afrique à l'horizon 2008 que la situation sera presque cauchemardesque... Premièrement, l'éventuelle explosion démographique aurait de très graves répercussions sur les ressources matérielles de la région (telles que la terre) et sur les services sociaux de base (éducation, santé, logement, nutrition, approvisionnement en eau, etc.). Au niveau national, les conditions socio-économiques seraient caractérisées par une dégradation de l'essence même de la dignité humaine. La population rurale qui devrait survivre au prix de souffrances insupportables devrait connaître une situation quasi catastrophique dans la mesure où les terres seront si rares... La misère devrait atteindre de nouvelles dimensions...'

Sept années se sont écoulées depuis la publication de ce rapport. Que s'est-il passé dans l'intervalle?

On peut dire carrément que la situation s'est encore aggravée. L'Afrique est un continent en crise, et pratiquement rien ne donne à penser que les actuels programmes de développement permettront d'inverser les tendances observées. Dans cinq ans, la situation sera probablement pire."

Dans son allocution d'ouverture, le Président Masire a exprimé la même idée, quand il a dit que "dans la plupart des nations africaines, le rythme du développement s'est encore ralenti au cours de la dernière décennie et, dans certains cas, le déclin a atteint des proportions effrayantes".

Le Président Masire poursuivait en ces termes : "Le problème que nous allons aborder ici est celui de savoir comment transformer ces résultats désastreux en un développement productif et durable au cours des décennies qui viennent. C'est là une tâche ardue, et nous ne pouvons nous attendre, évidemment, à trouver des solutions définitives au cours de la conférence. Nous pouvons cependant amorcer un dialogue et définir les conditions d'une action future."

Au bout de deux jours de débats approfondis, je pense que nous avons rempli cette mission. Le document analytique préparé par le Ministre Pronk a guidé nos délibérations et, comme nous l'espérions, nous nous sommes bien rapprochés d'un consensus sur les grandes questions que nous avons examinées. Je ne vais pas tenter de donner un résumé complet des déclarations qui ont été faites. Le Ministre Pronk et ses collaborateurs établiront les actes de la réunion. Je voudrais cependant évoquer les points saillants de notre débat et énoncer les grandes mesures de suivi qui, semble-t-il, bénéficient d'une large adhésion. Tous les participants ont été d'accord avec ce que le Président Masire et moi-même avons dit des années 80, à savoir qu'elles ont été pour l'Afrique une décennie extrêmement difficile : la pauvreté s'y est aggravée et, dans beaucoup de pays, il n'y a pas eu progrès social, mais régression.

Pourtant, comme maints délégués l'ont souligné, on peut trouver dans ce sombre tableau quelques lueurs d'espoir.

Pendant la décennie, un nombre grandissant de pays ont adopté des réformes, et l'on distingue des signes avant-coureurs d'une reprise de l'économie. Tout aussi important est le souffle nouveau du changement politique que l'on sent dans de nombreuses parties de l'Afrique. Le Président Masire en a parlé quand il a souligné qu'il était de plus en plus largement admis que le développement de l'Afrique incombait au premier chef aux peuples africains et à leurs dirigeants. Mais il a souligné aussi que l'Afrique avait plus que jamais besoin d'une aide extérieure, aussi bien financière que politique.

Pendant toute la conférence, j'ai pu constater la large adhésion donnée aux grandes idées présentées dans le document analytique. Je les récapitulerai de cette façon :

- Le développement de l'Afrique est un processus de longue haleine, qui appelle des efforts qu'il faudra soutenir de nombreuses années; il doit être endogène, adapté aux besoins et aux aspirations nationales, et conduit par les dirigeants nationaux; il devra répondre aux priorités définies dans les programmes de développement à long terme que chaque pays devra préparer. Les programmes de développement devront définir des objectifs précis relatifs aux principaux éléments du progrès économique et social.
- Le développement doit être centré sur la personne humaine, qui est à la fois le moyen et la finalité du développement. Ces objectifs doivent donc être la sécurité alimentaire et l'assurance d'un accès universel aux soins de santé, à l'éducation et à l'emploi.
- Le rétablissement de la croissance de la production est une des conditions du développement humain. Cela supposera le plus souvent un ajustement et des réformes fondamentales, notamment un accroissement de l'épargne intérieure et une plus grande efficacité dans l'emploi des ressources.
- Dans beaucoup de pays, les objectifs d'un développement de longue haleine centré sur la personne humaine ne pourront être atteints qu'à la faveur d'une réduction des taux d'accroissement naturel et d'une protection du milieu physique obtenue grâce à des pratiques agricoles rationnelles.

- Le progrès économique et social en Afrique aurait tout à gagner d'une coopération et d'une intégration économiques régionales plus marquées, si difficiles soient-elles.
- Pour compléter l'épargne intérieure, qui doit augmenter, il est essentiel que l'Afrique reçoive de l'extérieur des capitaux plus abondants. Durant les années 90, les donateurs devront faire un effort particulier pour mobiliser ces ressources. Ces efforts devraient inclure des mesures additionnelles tendant à réduire notablement le service de la dette actuellement prévu, et l'allègement de la dette doit bénéficier immédiatement de l'attention de la communauté des donateurs.
- On s'est accordé sur un point essentiel : l'Afrique doit être mieux gouvernée. Il est clair que les Africains demandent des comptes; des mesures doivent être prises pour accroître la transparence et la participation du peuple aux affaires publiques. Cela aidera à éliminer la corruption et à réduire le gaspillage des ressources. Mais de meilleures méthodes de gouvernement dans les nations africaines devraient aussi avoir pour contrepartie de meilleures méthodes au niveau international.

Pour concourir à la stratégie qui vient d'être ébauchée, un certain nombre de pays industrialisés et d'organismes internationaux ont avancé des propositions précises dans des domaines essentiels. On peut notamment citer les suivants :

- Une initiative pour la création de capacités en Afrique, soutenue par la BAD, le PNUD et la Banque mondiale;
- Un programme de mise en valeur des ressources humaines soutenu par les pays nordiques;
- L'appui donné par le PNUD à l'élaboration de stratégies à long terme par divers pays africains;
- La mise au point d'un programme d'intégration régionale qui serait soutenu par la Communauté européenne;
- La poursuite de l'appui donné par la Banque mondiale aux programmes spéciaux d'aide.

La présente conférence a bien constitué un dialogue politique, où les participants ont été à l'écoute les uns des autres. De l'avis de tous, un pareil dialogue entre nations africaines et nations non africaines doit se poursuivre, car il faut faire plus pour accélérer le progrès économique et social au sud du Sahara. La proposition figurant dans le document analytique, tendant à constituer ce qui a été appelé une "Coalition mondiale pour l'Afrique" a donc bénéficié d'une très large adhésion. Il ne s'agira pas d'une nouvelle institution, mais plutôt d'une coalition politique constituée dans le but de préserver et de réaffirmer le consensus sur les grands problèmes qui pèsent sur le développement africain. En outre, elle pourrait appuyer et suivre les progrès accomplis dans la réalisation des plans nationaux de développement à long terme.

Hier, après la fin de notre séance plénière, nos collègues africains se sont réunis. Ils ont demandé que les conclusions de leur débat vous soient communiquées dans les termes suivants : "Les membres africains de notre groupe expriment leur gratitude pour la convocation de la présente conférence et pour la façon dont les débats ont été conduits. Ils demandent au bureau - les deux coprésidents et le représentant du gouvernement hôte, M. Jan Pronk - d'assurer provisoirement la coordination du suivi de la réunion. Leur tâche sera de faciliter des consultations sur la nature, le mandat, et la localisation d'un mécanisme de suivi approprié et divers autres arrangements relatifs à celui-ci." Nous croyons comprendre que d'autres participants partagent ce point de vue. Si c'est le cas, le Président Masire, M. Pronk et moi-même ne nous déroberons pas à cette tâche.

Durant les débats qui ont eu lieu ces deux derniers jours, diverses idées préliminaires ont été exprimées sur la structure du processus de suivi. Il ne faut surtout pas qu'il conduise à la création d'une nouvelle bureaucratie. Les deux présidents pourraient être secondés par un petit secrétariat fourni par une institution existante. Les réunions plénières devraient avoir lieu une fois par an au maximum, alternativement en Afrique et en dehors de l'Afrique; la première serait organisée pendant le second semestre de 1991. Les réunions périodiques des représentants politiques pourraient être complétées par des réunions d'experts sur des sujets techniques particuliers.

ANNEX II

Maastricht Conference on Africa, July 1990

An Issues Paper

This Issues-Paper was prepared in The Hague, from the 2nd - 4th of April 1990, after consultations with a group of prominent independent experts on African development. The purpose of the Conference in Maastricht is to encourage and advance the process of consensus building to facilitate further joint action for long-term African development.

The document does not attempt to summarize the various substantive reports which have been prepared by the World Bank, 'Sub-Saharan Africa: From Crises to Sustainable Growth', the Economic Commission for Africa (ECA), 'African Alternative Framework to Structural Adjustment Programs', and others on the economic development problems confronting Africa. This Paper has been drafted in the form of a series of questions which capture the essence of the discussion that should take place at the Conference. Therefore the Issues-Paper can be considered as an annotated agenda for the Conference. The document also contains suggestions relating to further action after the Conference.



J. Pronk

Minister for Development Cooperation of The Netherlands

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**INTRODUCTION:
THE EMERGING SYNTHESIS**

There is no need to reproduce the record and prospects for economic and social development in Sub-Saharan Africa. These facts and figures and their interpretation are fully documented in the World Bank's *Long-Term Perspective Study* (LTPS), the ECA's *African Alternative Framework to Structural Adjustment Programs* (AAF-SAP), and in reports from ADB, UNCTAD, and others that are before this Conference.

ECA's 'nightmare scenario' has most graphically captured the generally depressing prognosis for Africa unless major changes in policies, programs, and institutions are adopted and adequately funded both from internal and external sources. Moreover, this prognosis is accepted equally by those who have supported the major changes in policies which many countries have introduced during the 1980s under structural adjustment programs, and by those who have been more negative in their assessment of these programs. Whatever positive results might be emerging, all parties would agree that they are both grossly inadequate and dangerously fragile when put against Africa's longer-term needs and problems.

Of course, the experiences and prospects vary enormously from one country to another and these differences will obviously emerge during the proceedings of this Conference. Nevertheless, this Issues Paper starts from the assumption that there has been established in recent years a growing consensus on many—but by no means all—of the issues which need to be addressed if Africa is to move from crisis and stagnation to sustainable growth and human-centered development.

The guiding thought behind this Conference is to encourage and advance this process of consensus building as a pre-condition for action. Of course, disagreement can sometimes be productive—thesis, antithesis leading to synthesis. Certainly it is not desirable to ignore disagreements as though they did not exist. However, actions to advance social and economic development have been weakened or even frustrated as a consequence of the perception of major disagreements between those involved in analysis, policy, and operations in Africa. What we now need to do is firstly to determine those issues on which consensus exists and to move ahead as rapidly as possible to put in place a process for formulating programs of action to which all parties will be committed. Secondly, we need to set in motion a process for advancing the process of consensus building where this is at present limited or does not exist at all.

Of course, the concept of 'consensus' is itself imprecise. It is likely to stop well short of 100 percent agreement on any particular issue. It can range from a simple agreement on objectives and a determination that 'something should be done' to a considerable degree of agreement not only on objectives but also on the actions which are required to achieve the objectives. It is also useful to distinguish between consensus on issues which are primarily political in nature and those which are more technical and professional. For instance, consensus that health services need expanding and that this expansion should be predominantly in primary health care and in services to rural and other disadvantaged groups is overwhelmingly a policy matter to be determined by African governments. However, even if there were consensus on this political issue, it does not, of course, imply that there is consensus on all the various medical, institutional and other issues which would need to be addressed.

This distinction between consensus at the 'policy-making' level and consensus at the 'technical-professional' level lies behind the presentations which follow in the next section of this paper. If consensus can be established at the Maastricht Conference on important issues reviewed in that section, then it becomes of equal importance to generate consensus on programs of action. We must move from 'what needs to be done'

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INTRODUCTION: THE EMERGING SYNTHESIS

to 'what is agreed will be done.' This will not require a 'oneshot effort' but a continuing process of monitoring, discussion, program formulation, and of action by governments, donors, agencies, NGOs and others. In Section C of this Paper, reference is made to some tentative proposals for establishing such a process. But these proposals only make sense as a response to a need expressed by African participants for such a continuing process to be established.

If the Maastricht Conference can set this process in motion, then it will have established a rallying point for concerted action programs which can greatly improve the coherence and effectiveness of African development efforts. As far as the donor community is concerned, such programs can help maintain and strengthen the political commitment to Africa's development exactly at the time when events in Eastern Europe and the consolidation of economic blocs among the industrialized countries tend to preoccupy the minds of their policy makers. As far as African leaders are concerned, confirmation from all sides of the spectrum of the prime place of endogenous initiatives, broad popular participation, and human resource development can give new impetus to their development activities while the Eastern European developments can strengthen the voice of those who have been calling for political renewal.

The operationalization of the emerging strategy will not, however, be easy. There are many difficult economic, institutional, financial, and other technical and resource availability type issues with which officials and others in African governments and in donor agencies will have to struggle in formulating action programs. But of far more critical importance is the determination and commitment to these action programs which will have to be shown by political leaders. Without clear signals from the highest political levels in Africa and in the donor community, officials will have no mandate for change and the emerging strategy will be doomed to failure before it ever gets started.

The Netherlands Government hopes that Maastricht will provide an opportunity for these political signals to be given.

**AREAS OF EMERGING
AGREEMENT AND THEIR
ACTION IMPLICATIONS**

It will be useful if Conference participants review six major areas on which there appears to have emerged widespread agreement and to consider what might be done to advance concerted action in these areas. The following remarks and questions may guide our discussions on these topics.

- I *The development of Africa is a long-term transformation process that should not be subordinated to short- and medium-term reform requirements.* It requires sustained efforts over a long period of time to lift output and human needs satisfaction to permanently higher levels. It must be an endogenous process, responsive to national aspirations, carried out under national leadership, following the priorities set out in a national long-term perspective strategy.

Major macro-economic imbalances, such as those that occurred in the 1980's disrupt development programs and must, therefore, be corrected. However, there is widespread agreement that programs to correct such imbalances should be designed in a way that does not jeopardize the transformation process, upset its priorities or undermine the foundations for future progress. Measures to achieve overall financial balance and improve the allocative function of prices have to be made consistent with the need to protect expenditures on human resource development and on infrastructure maintenance. They also must take account of the social and political dimensions and respect national development priorities. This implies ensuring the endogenous character of policy setting. Only if programs are understood and supported by the broad mass of the population is it likely that they will prove to be sustainable.

A large measure of balance of payments support will remain indispensable for Africa for at least several more years and so will be the need for policy reform in many countries. The relation of short- and medium-term reform to the long-term transformation process will thus remain a live question. Participants are invited to indicate whether they agree with the foregoing statements and explore their implications for action. What can be done to increase the scope for African governments to assert their role in designing reform programs in line with their national long-term strategies? What must be done to intensify national consultations on the goals and the instruments of reform programs? How can these objectives be achieved consistently with donor concern that aid money is well spent and supports the process of economic and social development?

One possible solution is increased use of sector development programs as a vehicle for balance of payments support. Through this instrument donors and African governments could revive development expenditure (capital and recurrent) during the adjustment process. Is this a worthwhile avenue that requires further exploration? Is it feasible to pursue efforts to strengthen sector development programs at a certain distance from the macro-economic policy dialogue without disregarding the reasonable concerns of donors?

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One might also consider whether there is scope for a switch from conditionality based on promises of future action to up-front performance criteria. Such criteria should be objective, based on available facts and figures and actual government policy decisions as reflected in budget documents and other important internal policy papers. Generally more attention has to be paid to the bottom line indicators of development than to policy instruments alone. There is no one single formula which links policy instruments and development targets: there are multiple paths between the two and the particular path selected depends on the social, political, and economic conditions of the country. This does not, of course, imply that countries should ignore the lessons of experience — both their own and that of others. Some paths have proved to be failures while others have proved very successful. The issue is: what change would this imply in the conditionality approach currently practiced by the donors?

- 2 *Development must be a human-centered process.* There is widespread recognition now that people are both the ends and the means of development and, therefore, that programs of human-centered development, of food security, and of employment must be placed on center-stage of any economic development strategy, both in the short run and in the long run. Everything else — economic growth, fiscal policy, exchange rate management — is no more than the means to achieve the fundamental objective of improving human welfare.

This re-affirmation of the central place of human resources in the development strategy would appear to have several implications which Conference participants may wish to examine:

- a) Universal access to minimum food requirements, basic education, primary health care, family planning services, safe drinking water and sanitation requires substantially increased public expenditures. LTPS estimates that expenditure for the social sectors should rise from 4–5 percent of the region's GNP at present to 8–10 percent by 2000.
- b) Direct a larger part of foreign aid to the social sectors. LTPS recommends donors covering half of sound sector development programs, including current expenditures.
- c) Redirect expenditures within the social sectors towards the basic needs areas without losing sight of the development contribution to be made by the higher level provisions of the education and health sectors.
- d) Redirect policies and programs and revise legal provisions and access to services to enable women to participate fully in social and economic development. Women are the primary workers and lead managers of household productive activities and for the provision of services (education, health, water, family planning, etc.). Yet conventional development efforts have tended to marginalize instead of improve their position.

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- e) Strengthen family planning services and make them universally accessible throughout Sub-Saharan Africa. Whatever the ultimate population of Africa might be, if there are 3-4 percent more people each year to be fed, educated, made healthy, and to be provided with jobs and with tools and equipment to be more productive, then the task of development becomes that much more difficult — maybe impossible for some countries; both families and countries have to run to even stand still.
- f) Improve, widen opportunities for people to participate in development. Human-centered development requires a shift away from a top-down approach towards development. It includes empowerment of women, local community groups, local governments, etc. More fundamentally, it requires a trust of the political leadership in development from within. Governments must adopt a supportive role which assists and modernizes locally managed initiatives rather than replacing them. It requires a switch of focus away from 'glossy modernization' focusing on steel mills, automobiles, highcost highways, and inappropriate hightech. If this is to be taken seriously, it will require courageous political and attitudinal reorientations in African countries. Parallel adjustments are required in donor assistance programs and in the scrutiny of applications for export credit guarantees.

Conference participants may wish to express themselves on the feasibility and desirability of actions along the above lines. Human development is the most crucial part of the emerging synthesis and that this should find expression in strengthened, coordinated action now. If this is agreed, participants may wish to examine what practical steps might be taken to advance the prospects for concerted action by the entire development community for Africa in this crucial area, giving particular attention to the imperative need to build up African capacities in every field.

- 3 *A strategy of human development will not succeed unless production growth is restored.* The restoration of agricultural and industrial prosperity is necessary for both the achievement of macro economic objectives — export earnings, import savings, tax revenues, etc. — and of social objectives — employment generation, productivity increases of poor peasants, financial resources for education, health, etc. The fragility of the natural environment in large parts of Africa makes essential that these efforts be structured in such a way that production can be sustained over the long term.

The term 'enabling environment' is now widely used to capture the elements which are required to stimulate agricultural and industrial production and productivity. This term recognizes that the bulk of decisions in agriculture and industry are made by private producers — peasants, commercial farmers, small- and medium-scale firms in both the formal and informal sectors of the economy, and in the larger-scale modern sector enterprises. Experience shows that these producers are very responsive to changes in market and technical opportunities, as well as to changes in the relative prices of inputs and outputs. But the enabling environment must also, everyone agrees, include efficient infrastructure services, agricultural research and extension, the creation of industrial capabilities in engineering, accounting, marketing, and so on. Many of these supportive institutions and programs have fallen into decay over the past decade or more and their rehabilitation and subsequent expansion are crucial for supporting and stimulating agricultural and industrial growth.

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Comments and suggestions on the component parts of an action program to address these issues are welcome. For instance:

- a) Is there agreement that governments and donors should increasingly concentrate on these support services, leaving direct investment and management in agriculture and industry predominantly to the private sector?
- b) Is there agreement that infrastructure programs should give higher priority than previously to rehabilitation and maintenance and should be more disciplined in avoiding prestige projects having little development impact?
- c) Is enough being done to select low-cost but efficient technologies for infrastructure projects with maximum local participation?
- d) Are both traditional and modern financial institutions being used and developed in ways which permit increased investment by farmers and small firms?
- e) For modern sector industry is enough being done by African and donor governments to restore the confidence of overseas companies in African firms?

One of the major areas of continuing lack of consensus relates to the liberalization of markets for industrial goods. At the most general level, everybody agrees that African industry must be efficient if it is not to exploit African farmers and consumers. It must also increasingly be able to compete internationally if it is to diversify African exports in order to sustain the minimum import capacity which the revival of GNP growth will require. However, subjecting African industry too rapidly to international competition is seen by many as inconsistent with the nurturing process that has been seen world-wide to be required in the early decades of industrialization. Participants may wish to express views on how the balance can be established between enough competition to achieve international efficiency and too much competition which will overwhelm African firms and which is unfair to expect them to confront. Does the proposal to *extend liberalization initially to inter-African trade make more sense from the point of view of long-term development?*

Many observers both within and outside of Africa believe that the informal sector of industry must be relied upon most heavily for the growth of manufacturing output, for creating employment opportunities during the next 25 years during which neither government nor modern industry will be large additional employers of labor, and for acting as a seed-bed for the development of African entrepreneurship. But observing the behavior of both African governments and donors one may wonder whether there is a consensus on this important issue. Participants may wish to comment on this matter.

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For the majority of peasants and pastoralists, the relief of their desperate poverty and insecurity must depend on an increase in their productivity. What will it demand of African governments and donors to stimulate a 'green revolution' suited to the needs of these people? Moreover, although the nexus of population, poverty, mortality, and the environment is of mind-boggling complexity and urgency, many programs seem to be failing to address the issues in a reasonably comprehensive manner. In addition, there are criticisms that these programs are frequently not meaningful in terms of the day-to-day lives of people for whose benefit they are supposed to be designed. Is this seen by other participants as a major issue?

- 4 *Africa's development requires a greater degree of regional integration and cooperation.* The desirability of increased economic integration among Sub-Saharan African countries has been widely recognized throughout the postindependence period. Progress towards this objective, however, has been disappointing. New action plans for the 1990's can now build upon the continuing consensus, expressed with renewed vigor by both the ECA and the World Bank, on the critical importance of better utilizing the opportunities for intra-African trade and economic integration.

Experience suggests that progress is difficult to achieve when integration objectives are highly ambitious. This, perhaps, has been part of the weaknesses of earlier attempts. Rather than attempting to launch full-scale common markets or free trade areas, the governments of Africa may therefore prefer a series of incremental and partial steps, all of which move broadly in the same direction. To facilitate discussion of such an incremental approach, participants are invited to express their views on the merits of an action program that might contain the following elements:

- a) Concrete steps toward regional and sub-regional food security arrangements via liberalized African agricultural trade. There appears to be a consensus that the objective of food security for Africans must be more vigorously pursued through greater cooperation at the regional and sub-regional levels within Africa. To call attention to the needs and possibilities for African economic integration at this most basic level there could be a fresh series of regional and sub-regional consultations.
- b) Liberalization of non-food African trade via a Pan African Round of intra-African trade liberalization. IntraAfrican tariffs and other barriers to trade in goods and services should be negotiated downwards, in the 1990s, both to rationalize existing economic activity and to facilitate future 'integration industries.'
- c) External support for intra-African trade liberalization via adjustment assistance, trade credit, payments arrangements, to be consolidated in an 'African Integration Fund'.

AREAS OF EMERGING AGREEMENT AND THEIR ACTION IMPLICATIONS

- d) Liberalization of imports for non-traditional export expansion, backed by externally financed 'Diversification Funds'. There exists a consensus that the expansion of non-traditional exports to world markets as well as African ones is crucially important. Increased external finance should be provided for the purchase of imported inputs by non-traditional exporting sectors once the recipient country has a reasonably sound overall incentive structure.
- e) A major effort to replace import quota and foreign exchange controls by tariffs. Such an effort does not challenge import protection or selectivity of import incentives, nor does it preclude the continuation of some import prohibitions and controls.

In addition to these measures to stimulate intra-African trade, an action program might also include proposals made in the past by OAU and ECA to rationalize regional organizations into lean and efficient institutions and also measures to revive and to develop the many functional forms of regional cooperation in such areas as transportation, communications, energy, education, research, natural resource management.

In all these areas of regional trade and cooperation, participants might indicate the financial or other supportive role which donors might play.

- 5 *Special efforts will be required by both African governments and donors during the 1990s to mobilize resources for financing development programs.* Programs of human resource and of infrastructure development, together with the requirements of agriculture and of industry, will demand markedly increased flows of internal and external resources. There seems to be a widespread recognition that most of these resources will have to be generated domestically. This is particularly true in the longer run as Africa moves into the 21st century. Self-reliance is a frequently-stated objective of African governments. Moreover, excessive dependence on external resources makes it extremely difficult to ensure that the process of economic development is endogenized and thereby made consistent with the history, culture, and politics of each country. In the extreme, national sovereignty is threatened.

But increasing the mobilization of domestic resources will be difficult during the 1990s when household incomes and tax revenues will continue to be low. There seems to be increasing recognition that expenditures on such things as subsidies to inefficient public enterprises and overstaffed government agencies are still excessive in many African countries. Measures to tackle these would mainly affect the better-off (the 'top five percent') while leaving virtually untouched the incomes of the mass of the population. This is also true of defense expenditure, especially where there is no external threat. Donors frequently aggravate this problem through sales pressure including financial inducements for arms purchases and the pursuit of geo-political interests.

During the 1990s the special efforts which were made by donors over the past decade will have to continue. There seems little prospect of an improvement in Africa's terms of trade and it will be some time before significant private capital flows resume even in countries which are establishing the legal, political, and institutional foundations for stimulating them. Thus the generous increases in concessional assistance through SPA, which have partially offset the declines in export earnings and in private capital flows during the 1980s, will have to continue into the 1990s. Is it realistic to assume that donors will be able to rise to this challenge which will imply a rate of growth of ODA to Africa significantly greater than the likely rate of growth of donor GNP?

But despite these efforts Africa will continue to be troubled by financial problems unless more far-reaching steps are taken to reduce the debt burden. It is necessary to face up to the fact that the debt problem is actually getting worse. Arrears to the multilateral agencies are reaching a breaking point when drastic measures are being threatened even with regard to membership of some countries in the Bretton Woods institutions. Moreover, it is essential that Africa's limited national economic managerial talent be set free from short-run crisis management with its heavy emphasis on the annual debt rescheduling cycle of work at both the overall and individual creditor levels, to begin to focus on the longerterm issues of economic growth and development.

The debt issue is a subject in which many international and regional institutions and groupings are already involved. Would participants agree that a strong message should go out from the Conference that unless the world's political and financial leaders urgently address Africa's debt issue and come up with special and innovative measures, both for low and middle-income countries, the most determined efforts of African and donor ministers and agencies would be frustrated?

- 6 *Africa's development efforts will come to naught unless governance is improved.* This clearly raises very sensitive issues but the Khartoum Declaration and the more recent Arusha Charter for Popular Participation in Development and Transformation demonstrate, that there is widespread agreement now that without improvements in governance, development will prove to be neither equitable nor sustainable. Good governance is based on the observance of certain principles such as accountability of government leaders; transparency in the use of public funds; responsiveness of governments to popular aspirations; room for people to participate in all spheres of social and economic life, to produce, to organize their mutual assistance, to express their views on development decisions affecting their existence. Experience of recent decades has confirmed that development will not continue to flourish unless citizens are secure in their human and political rights and unless governments aspire earnestly to strengthen their economic and social rights. The brain drain from Africa might be more related to these factors than to salary levels.

Finally, it would appear that the geopolitical background for fruitful cooperation on governance has recently improved with the relaxation of cold war tensions and the prospect of political improvements in South Africa. Thus some of the serious destabilizing influences that have had such a harmful effect on African political conditions appear now to have receded. With this broader auspicious development in mind, participants may wish to express their views on these elements of good governance and on their relation to the chances of success of development efforts. If broad agreement does indeed exist on these matters, would it be useful to see what action should be taken to improve governance? And if so, what are the priorities?

As far as African governments are concerned, do the priorities include:

- a) improving accounting, auditing, procurement, inventory control, and similar institutions?
- b) developing the dialogue with peasant producers, the informal sector and NGOs to enable them to participate more effectively in production, provision of services, and participatory governance?
- c) monitoring popular participation in Africa on the basis of agreed indicators as was recently agreed in the African Charter for Popular Participation in Development and Transformation?

For the donors, do they include:

- d) giving priority to technical assistance focussed on institution-building in accounting, auditing, procurement, and inventory control?
- e) supporting technical assistance focussed on affording governmental and non-governmental participants insights into how decentralized activity and participatory dialogue operate in other countries in Africa and elsewhere?
- f) fostering institutional pluralism by assisting grassroots organizations, NGO's and intermediary organizations within the public and/or private sector?
- g) cooperating with African governments in establishing early warning systems on cases of misuse of public funds including aid funds?

C FOLLOW-UP ACTIONS

FOLLOW-UP ACTIONS

The major reorientations of policies and programs, such as those discussed in Section B, are political in nature. They can only come about if the political leadership gives clear signals in these directions. The Conference in July which intends to bring together political leaders from Africa and bilateral donors and representatives of the multilateral institutions presents an opportunity to strengthen agreement on some of the major reorientations discussed in this paper and give clear signals to officials to move towards their implementation.

But implementation will be a long and painstaking process and the initial meeting at Maastricht can only set the stage for it. The following remarks are intended to outline my views on this subject.

The following process could contain three major components. Firstly, it will be necessary to prepare a set of action programs sector by sector and issue by issue. Secondly, there would have to be a program of technical papers and workshops to define better the pragmatic balances in areas where consensus is not yet complete. Thirdly, because the implementation of this strategy will have to be mostly at a national level, a program for preparation of long-term strategies at a national level would be of high priority.

I hope that bilateral donors and international agencies may be prepared to consider sponsoring one or other of the sector-type action programs and workshops. For example, we could request the European Community to sponsor programs on regional integration and cooperation and the Nordic governments on human resource development. Other areas for action programs include: agriculture and the environment, physical infrastructure development, industry and energy development, aid and debt issues, governance, and building of the capacity to carry out research.

The workshops on major development issues would try to build bridges where differences persist. This includes issues such as devaluation; trade liberalization; the role of government in directly productive activities; public sector wages and the high cost of doing business in Africa; the process, modalities, and pace of structural adjustment; the promotion of food security; the strengthening of women's role in development; the problems of moving rapidly to the demographic transition. In many of these areas there is, in fact, broad agreement about the ultimate objectives but differences of view about the way to get there. With its strong delineation of positions, this policy disagreement risks undermining the motivation for development efforts and may even create uncertainty in the minds of many about the objectives to be reached and the support to be provided by the donor agencies. The workshops could do a major service to Africa's development if they were to succeed in defusing tensions about these issues and moving towards consensus on them, which can subsequently be endorsed by ministerial-level conferences. To maximize the chances of bringing out the reasons for differences, these workshops should bring together leading development practitioners, including those from the NGO community in a low profile environment. The emphasis should be on learning from each other and moving towards pragmatic high ground for policies.

Both these activities — preparation of action programs for conferences and technical papers for workshops — together with the preparation of national long-term strategies — should be largely financed by the bilateral and multilateral agencies. They would not require either the creation of any new institution nor the mobilization of much additional resources. A very small secretariat would be sufficient. It would itself not carry out any analytical work but would restrict its activities to induce existing institutions to prepare action programs and technical papers, to maintain the agenda, and

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FOLLOW-UP ACTIONS

mobilize support for conferences and workshops. It would consist of a few persons seconded from bilateral and multilateral agencies. Its independence could be illustrated by its location. The secretariat would report to a chairperson(s) of the forum for consensus on Africa, who would have to be a person or persons with unquestioned and well-recognized leadership in the area of development, especially of Africa. The forum thus established, initially for a period of five years, could be called Global Coalition for Africa.

The forum or coalition or monitoring mechanism would be an important means for mobilizing and maintaining consensus on the broad complex of inter-related long-term issues. It could be a continuing association of interested parties which would bring together, on a regular basis, representatives of African governments, bilateral donors, regional and multilateral agencies, and other development partners in Africa. Its functions would include the examination of the full range of long-term development issues, to assist in promoting and maintaining consensus on objectives and programs of action and monitoring progress. Particular attention would be given to areas in which implementation of joint programs would be essential and where disagreements in approach have arisen. It would energize existing institutions, improve the coordination of their Africa-related initiatives, and bring their recommendations to the level of the political leadership of the development communities for Africa. It would also mobilize support for the preparation by African governments of their own national longterm perspective strategies. It would not duplicate any ongoing activities. Acting as a catalyst, it would energize existing resources but itself consume very few.

The plenary session of the forum, which would be a political-level meeting, should probably be held once a year. The secretariat would report progress achieved through action programs, conferences and workshops on particular issues to the plenary session. The coalition would thus be largely an integrative mechanism. It would aim primarily at energizing and harmonizing action programs and conferences now in place, but also at filling gaps where they exist.

CONCLUDING COMMENT

In my letter of invitation to you to attend the Conference in Maastricht, I stated that 'It is now time not only to tackle certain urgent and immediate problems but also to set out a long-term policy' for Africa. In this Issues Paper, I have attempted both to indicate the major issues which I believe should be focussed on at Maastricht when discussing this long-term perspective, and to suggest a process beyond Maastricht through which this discussion could continue with its emphasis on bridge building and action programs.

But I must emphasize that these are my personal views. Moreover, I must emphasize that what action takes place in individual African countries and by Africa acting in concert, must be determined by Africans themselves. The Netherlands Government and other donors and multilateral institutions, can only play supportive and catalytic roles. If, therefore, Africa is to succeed in avoiding the danger of being marginalized both economically and politically in the world it will only be because Africans have taken matters into their own hands to avoid such a dreadful outcome. Thus the issues and proposals I have presented in this paper represent no basis for moving ahead unless they emerge from a groundswell out of Africa. On this groundswell I am sure I speak for my fellow ministers and fellow men and women outside of Africa when I say that we can and will assist in avoiding Africa's marginalization. And it is on these cooperative efforts that the future well-being of millions of deprived African people depends.
