



The Old 'New Partnership'

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It was billed as the 'summit for Africa', a source of new hope for a continent in dire straits. The G8 summit in Kananaskis dedicated a half day of its proceedings to Africa, invited African leaders to participate, and promised the continent a new and exciting initiative for its development. The G8's Africa Action Plan (AAP), we were told, would respond in appropriate fashion to the much-hyped, made-in-Africa New Partnership for African Development (NEPAD), and a fresh relationship between rich countries and Africa would truly begin to take shape. Now the AAP is on the table; both partners have shown their hand. Unfortunately, the African side must not be happy with what they see.

NEPAD's idea is that developed countries will put together a new package of aid, trade, debt relief and private investment, and direct it to those African countries who successfully implement 'good governance' reforms. In the AAP, the G8 countries endorse this relationship; at least half of the new assistance promised in the AAP, they say, will be given to countries who "govern justly, invest in their own people and promote economic freedom". Except in cases of humanitarian crisis, the G8 will "not work with governments which disregard the interests and dignity of their people."

Africa's side of the bargain, to undertake reform or risk missing out on new aid, has thus been accepted by the G8. In return, African leaders had been hoping that in the AAP, a major package of resources would be prepared for Africa's 'good governance' success stories. African leaders had estimated before the summit that implementation of NEPAD would require \$64 billion per year in new funding. They will not get that money from the AAP.

Most of the limited financial help pledged by the AAP is in the form of foreign aid. Unfortunately for African countries, however, there were no pleasant surprises in Kananaskis; most of the money for the AAP comes out of what G8 countries had already allocated at the 2002 International Conference for Financing for Development in Monterrey. At that meeting, the US, Canada and the EU pledged \$12 billion per year of new funds for development assistance. In the AAP, half of this money is promised to



Africa-or at least it "could be directed" to those African countries with the NEPAD stamp of good governance.

The AAP says that the G8 will "significantly" increase support to basic education for African countries with a strong commitment to education programs, but fails to provide details of funds or timing. The AAP also pledges to fill the Polio Eradication Initiative's large budget gap. The massively underfunded Global Fund to fight AIDS, Tuberculosis and Malaria, however, receives only moral support.

African leaders must also be disappointed with AAP commitments to debt relief. The existing Highly Indebted Poor Countries (HIPC) initiative, which was to reduce the debts of participant countries to sustainable levels, is in crisis because of a miscalculation of the levels of debt that would be 'sustainable' for each country. Because of falling commodity prices, many participants in the HIPC program are now experiencing just as many debt payment problems as they were before the program began. G8 countries have thus pledged \$1 billion to give the HIPC program a chance of keeping its old promises. New debt relief initiatives, however, are not forthcoming.

Though there is little new money for African countries to celebrate, they might have expected G8 countries to propose structural reforms. Most importantly, in the realm of trade, the G8 could have used the AAP to open their markets to African products, and decrease the subsidies that take away those products' competitive advantage. However, rather than make concrete promises to increase market access, G8 countries have said nothing new.

Only Canada has promised to eliminate tariffs and quotas for "most" products from the poorest countries. Meanwhile, recently announced US and Canadian agricultural subsidies will make Africa's trade situation even worse.

Though G8 governments cannot force an increase in private investment in Africa, they could help to regulate investment's social effects by preventing human rights violations by multinational corporations. Of particular concern to many African countries are corporations who are helping to fund conflicts by exploiting natural resources in war zones.

Unfortunately, instead of committing to binding regulations, the AAP promises only that the G8 will encourage "voluntary principles" of social responsibility for corporations working in Africa.

A new partnership with Africa could also have involved changes by the G8 countries in the way they provide development assistance. One of the major problems for African



governments is that they receive aid from a multitude of different sources, and scant bureaucratic resources are too often spent giving separate attention to all of the different donors. Increased donor coordination has been a recent talking point in other international fora, but is not a part of the AAP. Instead, each G8 country will provide its own money for the AAP priorities in its own time. The G8 countries do not even pledge to cooperate in determining which countries are worthy of AAP aid; instead, each G8 member will look at NEPAD's 'peer review' reports and decide for themselves.

So what have G8 leaders proposed in their Africa Action Plan? In fact, from the long shopping list that is NEPAD, the G8 has chosen sectors of priority for its aid money, areas where the G8 claims that "we can add value": peace and security; political and economic governance; trade, investment, economic growth and sustainable development; debt relief; education and information and communications technology; health and HIV/AIDS; agricultural productivity; and water resource management. Why the G8 cannot 'add value' to other crucial areas such as infrastructure and environment is not discussed. Within each sector, the AAP names vague initiatives that the G8 will be 'supporting' or 'working with', without including concrete timetables or plans.

At Kananaskis, disappointment was the order of the day. African leaders were diplomatic; Nigeria's Olasegun Obasanjo, for example, noted that "of course, there is nothing that is human that can be regarded as perfect." Before traveling to Kananaskis, UK prime minister Tony Blair had already sounded the alarm on the AAP's inadequacy in a meeting with international non-governmental organizations (NGOs). After seeing the final version, NGOs' fears were confirmed; Oxfam said that it was "an action plan lacking two key ingredients: action and a plan".

The Africa Action Plan should not have bred high expectations in the first place; it is, after all, a response from a self-interested group of countries to a deeply flawed document, and an 'initial response' at that. However, it is difficult to imagine a plan less supportive of hoped-for reform and renewal. The situation of the 'new partnership' is now grim: while one side has made promises of good governance that it is unlikely to be able to keep, the other has taken a big step towards avoiding its side of the deal entirely. It seems that in Africa's new partnership with the developed world, both parties are on a road that leads back to the old partnership.

This is the last in a series of five articles on the June 26-27, 2002 G8 summit in Kananaskis, Canada. These daily reports are sent from nearby Calgary, the focal point for media activity and anti-G8 meetings and protests.

For a discussion of NEPAD, see the series' second article.

