Fourth Africa Development Forum
"Governance for a Progressing Africa"

Statement by

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Your Excellency,
Prime Minister Meles Zenawi,
Distinguished representatives of the African Union, and the African Development Bank,
Excellencies, Honourable Ministers,
Distinguished Guests,
Friends All,

My colleagues and I have been looking forward to this week for a long time. We are heartened that so many from around this great continent and other parts of the world are here today.

We want to share some work and ideas with you that are among the most important ever to emerge from this Commission.

Many of you have attended African Development Forums before, but for some it is the first time. For their benefit, let me say why I believe these Forums are so important. They are high-level exercises in networking and consensus building; at these meetings, we raise new ideas and agree on strategies for action.

These Forums are also opportunities for leading Africans to highlight African achievements, to share what has worked, and spread the impact of good performance. These forums deliberately mix leaders and stakeholders

Mr. Prime Minister, you have actively participated in each of the past three Forums and your support is extremely encouraging. Thank you very much. You and your Government are essential partners.

Ladies and Gentlemen,

This is the fourth African Development Forum. The first ADF was held in 1999, on the topic of Information and Communications. Its major impact has been to help countries embrace new technology more quickly.

In 1999, only six African countries had comprehensive ICT policies. Today 22 countries have adopted such policies. I'm pleased to note that Nigeria, Namibia, Ghana, Malawi, Burundi and Cameroon all cite ADF 1 as a factor leading to their policy positions.

The Second ADF in 2000 focused on AIDS as the greatest leadership challenge in Africa. That Forum was widely seen as a turning point in Africa. ADF II established that the economic, social and governance implications of the crisis simply could not be left to ministries of health, but must become the concern of all parts of government and society.

The Forum produced a Consensus and Plan of Action which was incorporated by Africa's leaders into the Abuja declaration of early 2001.
The Third ADF was held in 2002. It showcased ECA's Assessment of Regional Integration in Africa, the first in a series of regular reports on the state of African integration.

Coinciding with the inception of the African Union, the Forum and its main report were particularly helpful for advancing the integration agenda.

As in the past three Forums, this year's ADF benefits from the collaboration of the African Development Bank, the African Union, and a host of intellectual and policy centers across Africa. I am also grateful to business leaders, particularly to Sheik Al-Amoudi and his MIDROC Group, for their generous support.

Ladies and Gentlemen,

Our topic this year is "Governance for a Progressing Africa."

And it is reasonable to ask "Why Governance?" and "Why Now?"

In Africa the challenge is not just to prevent states from failing, but to encourage states to succeed. Good governance assures peace and security. It engages the participation of every sector of society and ensures that human rights are guaranteed.

In other words, good governance and democracy are intertwined.

Good governance also promotes economic efficiency through equitable rules, by promoting fair and well-functioning markets. It curtails corruption and ensures the fair delivery of services.

Since the bulk of investment in African economies comes from African sources, good governance ensures that the domestic private sector can prosper.

We focus on governance because no matter what sectoral problem or national challenge we face, over and over again, governance turns out to be pivotal.

The most dramatic such challenge now is HIV/AIDS. That is why the Commission on HIV/AIDS and Governance in Africa, which I have the honour to chair, was set up.

The Commission's brief is to research and assess the long term impact of HIV/AIDS on our countries.

What does it mean for governance that teachers, civil servants and members of the military are dying more quickly than we can train their replacements?

How will our continent be affected by the increasing millions of AIDS orphans?

These and many questions must be answered if we are to cope with the governance challenges that AIDS poses.

Ladies and Gentlemen,

As we seek effective ways to meet our challenges, we are consistently drawn back to one major focus: the need for capable states.

This is underscored by the ECA's own empirical work. We have been benchmarking Africa's performance in a number of ways to provide clear and impartial evidence on Africa's progress and challenges.
We have developed indices to track growth, trade competitiveness and sustainable development and we are introducing a new one to monitor progress towards gender equality. In each of these areas, we have noted that the more capable the state, the better the performance.

Where countries are in disarray, where application of laws is weak and the quality of civil service low, our indices consistently show poor performance.

But where there is political stability, the rule of law is upheld and institutions are effective, countries score highly.

Such countries are best able to take advantage of the opportunities for sustainable growth and engagement with the global economy.

But why focus on these issues now? There are four reasons:

First, governance issues are a national priority in an increasingly large number of African states. Many of our most respected national leaders are taking bold actions on these issues.

In common with each other, they believe that a highly active, progressive state is required to meet present challenges. Yet their strategies and actions differ, providing us with a rich opportunity to compare progress.

Second, Africa's economic performance, while improving in terms of GDP growth, is still fragile and well below what is required to meet the Millennium Development Goals.

There is a fear that the gains of recent years could slip back, and that further gains could be jeopardized.

The reform of our economies is still not making an impact on poverty and is not creating sufficient employment for a large and growing section of our population - the Youth.

Not only do young people make up half of Africa's unemployed, they are often marginal players in governance and their needs and concerns are poorly reflected in national policies.

There are dangers in such economic and political marginalization, and certainly there are lost opportunities. These are critical governance challenges.

Thirdly, governance issues have recently been powerfully evoked by the African Union and the New Partnership for Africa's Development, NEPAD.

NEPAD's Democracy and Governance Initiative is based on the premise (and I quote) that "development is impossible in the absence of true democracy, respect for human rights, peace, and good governance."

NEPAD commits African countries to respect global standards of democracy - political pluralism, including openness to the formation of political parties, and open, free and democratic elections.

A manifestation of Africa's commitment to good governance is the African Peer Review Mechanism, designed to review country performance on governance issues. Twenty-three countries, representing 75% of Africa's population, have agreed to take part in the process.

Tomorrow, the chairperson of the APRM Panel and representatives of the first four countries to have entered the review process will share their views on the challenges and opportunities of the peer review process.
Fourthly, citizens are demanding better governance and a more capable state in almost every country in Africa.

It is sometimes claimed that the strongest demand for African governance reforms comes from outside the continent.

Certainly intrusive conditionality has been with us for a few decades. But the evidence of 40 years of donor evaluations is that reforms cannot be imposed. They have to be home-grown. And the simple fact is that the present reforms leading to a more capable state are rooted in Africa.

The political will of key leaders has certainly made a big difference, but even strong, insightful and progressive leaders cannot make change happen alone.

They increasingly depend on the array of public and private sector stakeholders, so well exemplified by this audience.

Leading voices across Africa and the common citizens of our continent are behind the demand for better governance. Civil society has gained in numbers and confidence in the last decade, applying pressure for accountability and better performance.

The media, with its demand for transparency, is expanding, particularly across borders, so that readers and listeners can better compare their experience with that of their neighbours.

Communications systems are also expanding rapidly, particularly cell phone networks and access to the internet, allowing people to work more effectively together.

Public opinion polling in Africa is becoming a fact of political life. The previous isolation of African civil society, media, youth, business and every sector of our society, is decreasing. And with all this comes a rise in pressure, from the ground up, for performance and accountability.

So the issues of governance and the capable state are very important and very timely.

Ladies and Gentlemen,

Given that the capable state is so vital for so many desirable development outcomes, we at the Economic Commission for Africa decided on an ambitious plan to better understand the state of governance in today's Africa. We conducted a ground-breaking survey of how people feel about governance in nearly 30 countries.

In this work, we have sought

- To be comprehensive, covering both political and economic governance;
- To build a consolidated picture of African governance leading to policy recommendations;
- To draw data from widely spread sources, giving voice to the general population in assessing governance and outcomes;
- And to address the capacity issues important for enhancing the institutions of governance.

To achieve these ends, we have had to invent new ways of measuring governance in Africa. No single approach was sufficient, so we used three approaches in each country studied:
First, we created expert panels of about 100 people per country. These people were drawn mainly from the professional classes, academia, and civil society and were constituted to assure diverse ethnic and geographic backgrounds. The views of these experts were important inputs.

Second, we commissioned public opinion polls in roughly 2000 households per country, including people from rural and urban areas, whether poor or middle class, educated or illiterate.

Third, we collected information on what - perceptions aside - is actually happening on the ground.

In each country we invited competent national institutions to bid for the contract to collect data using the ECA's survey methodology.

In each country studied, there was a national launch workshop involving government, civil society and stakeholder representatives to promote sound implementation of the surveys.

The results of the national studies were reviewed in each country in National Stakeholder Workshops as well as in sub-regional workshops. To that extent, ownership of the survey findings lies within the countries surveyed.

Because these studies are rooted in national expert and popular opinion, I believe the results are a good deal more authentic than many other ways in which African governance has been characterized.

So far we have done this intensive work in 28 countries, with 12 more planned over the next couple of years. The results will be circulated to you tomorrow morning.

In that document, you will find a synopsis of what stakeholder leaders and common citizens say is happening in their countries. And you will find comparisons of each country's findings on governance performance against an average of all countries studied.

We present comparisons with caution since the populations in some countries are better informed and involved than in others.

But to a large extent, by being able to average across 28 countries, we do have a reasonably accurate general picture, especially since over 2000 experts and over 50,000 households were involved.

The key point is that countries can now benchmark themselves. Each country's history is unique, so a country's performance needs to be considered within its own historical context.

If countries wish to compare their citizens' perceptions with those of citizens in other countries, then we can give them the tools to do it. But first and foremost, countries can now learn from their internal evidence.

And let's not forget that we have a rich store of traditional African governance on which we can build. In that regard, I'm pleased that two royal personages will be here this week to share their invaluable experience in this field.

Friends,

While this Forum will discuss many of the findings in depth, I want to refer to a few of our conclusions.

First, there is good and encouraging news. Governance is getting better. The situation across the continent is markedly different from just a decade ago.
For example, in country after country, people believe that their political space is being liberalized. They tell us that human rights and the rule of law are more widely respected and that the media and civil society are advancing. Women's participation in the political process has increased markedly in several countries.

And while I am celebrating that, let me pause to express my delight at the granting of the Nobel Peace Prize to that great daughter of Africa, Wangari Maathai. A pioneer of better governance against enormous obstacles, she is a heroine for our times.

Ladies and Gentlemen,

Since sound economic development is so critical, it is pleasing to report that the findings of our 28 country studies also include evidence of improved economic management.

As our report states: “Many of our countries are moving well to foster macroeconomic stability, promoting sounder public financial management and accountability systems, improving resource mobilization and reforming financial and monetary institutions.” All of these actions of the capable state enhance growth.

It will not surprise you that while we found some similarities across national boundaries, there are also considerable variations. Each country surveyed has a different pattern of strengths and weaknesses.

But, interestingly, the findings in each country mostly seem to point in one direction. Countries that are improving tend to do so across the board, while countries where indicators are lagging tend to lag overall.

This is an important finding. It confirms that efforts to improve must be broad-based so that they can be taken up across many fronts.

Citizens highlight areas of governance that consistently need more attention. Most countries score lowest on the control of corruption and the integrity of the tax system.

They also have low scores for the efficiency of government services, the decentralization of government structures, and the transparency and accountability of the civil service.

Legislatures and judiciaries, while criticized for their weaknesses, seem gradually to be rediscovering their independence.

Ladies and Gentlemen,

These findings underpin the need for a capable democratic state with strong institutions promoting the public interest.

In looking at the results of the 28 country studies, we have found ten areas where improvements can be made, by strengthening

- Parliamentary capacity;
- Legal and judicial reforms;
- Public sector management;
- Credible and responsible media;
- The environment for the private sector;
- Use of information and communications technologies in governance;
- Delivery of public services;
- The contribution of traditional modes of governance; and
Better governance regarding HIV/AIDS.
Mutually accountable relationships with external partners;

These ten areas show capacity deficits, even in countries making good progress.

We can distill from this review of issues an agenda for creating more capable states and underpinning institutions.

An action plan is called for to address the capacity deficits that currently so impede progress in Africa.

Your deliberations and recommendations this week will, first and foremost, allow a better understanding of how to translate data from your own countries into policy advice and actions.

This meeting's outcomes will also contribute to NEPAD's agenda as its critically important Peer Review process moves forward.

As many of you know, I have the pleasure of serving on Prime Minister Blair's Commission for Africa along with Prime Minister Meles.

Last week Mr. Blair chaired a meeting of the Commission here - indeed many of you were able to participate in an open dialogue with the Commissioners on Friday morning. We will ensure that your ideas are represented in the Commission's recommendations to the G8.

So at this ADF, we have special responsibilities. We sought out national level leadership across sectors and interests, and across age and gender in order to conduct our survey. Now, at continental level, we need to share our knowledge and experience in order to find our collective wisdom.

Excellencies, ladies and gentlemen,

This ADF is recognition that governance is improving and that it is time to intensify our efforts to achieve more capable states.

Let us send out a message from this Conference, that Africa can and will do this not because of what we owe to others, but because we owe it to ourselves.

Let us show that we have not only the will, but the ability to achieve a prospering Africa, supported by capable states.

Thank you.