

Executive Summary

The Scorecard: Marginal Progress on Governance in Africa

The *African Governance Report* (AGR) assesses and monitors the progress on governance in Africa, identifies capacity gaps in governance institutions and proposes policy interventions to promote good governance. The report adopts a unique methodology, combining three research instruments—a national expert opinion panel, a scientific sample household survey and desk research. The first edition of the report, published in 2005, covered 27 African countries; this report covers 35 countries.

The main finding of this second edition of the *African Governance Report* (AGR II) is that there has been marginal progress on governance in Africa since the 2005 baseline study (AGR I). The aggregate index for all the indicators of the AGR II expert survey indicated a marginal increase of 2 percentage points from the 2005 study (from 51% to 53%). The core indicators of political representation and independence of civil society organisations and the media had a mixed result, with the former stagnating at 65% and the latter recording a marginal increase of 2 percentage points, from 53% to 55% (figure 1).

There is a slightly better observance of human rights and the rule of law in Africa. In these two areas there has been marginal progress—from 48% in 2005 to 50% in 2007 for human rights, and 49% to 52% for rule of law. Other areas of improvement include the effectiveness of the legislature, executive and judiciary, which all improved by 1 percentage point over the 2005 survey.

On the economy generally, Africa made some notable progress. Economic management (up 3 percentage points), pro-investment policies (6 percentage points) and efficiency of the tax system (3 percentage points) all drew positive evaluation from the expert panel survey. This positive perception of the economy is validated by Africa's average annual growth rate of about 5% over the last decade.

Corruption remains a major challenge in Africa. The corruption control index declined 3 percentage points (from 48% in 2005 to 45% in 2007). African countries need to improve their efforts to fight corruption.

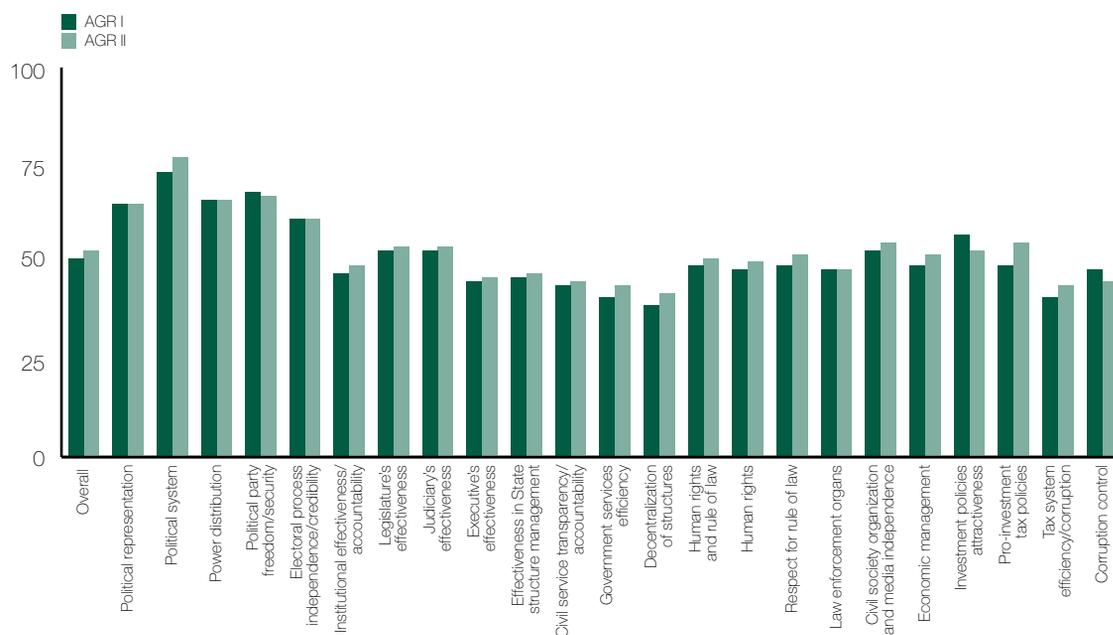
The overall governance picture for Africa is therefore one of limited progress. There is a need to scale up efforts to improve governance in Africa because good governance is central to economic development and to realizing the Millennium Development Goals (MDGs).

Political governance (chapter 1)

Progress on political governance in Africa is mixed. A major finding of AGR II is the continuing liberalization of African polities, which presages a steady (albeit bumpy) development of multiparty politics in the continent. African countries continue to make progress on political inclusion, and voter turnout rates and political participation have increased across the continent. But the picture is not all rosy. Democratic culture has yet to be institutionalized, as vestiges of authoritarianism threaten the

Figure 1 Comparison of survey results in AGR I and AGR II on key governance indicators

Scores, average across project countries (%)



Source: ECA surveys of experts, AGR I and AGR II.

democratic process and the politics of consociationalism and political accommodation are not yet rooted in the polity. Thus political tension, conflict and crises are emerging patterns of electoral politics in Africa.

Multiparty system flourishes, but with poor institutionalization

Since AGR I more African countries have opened up their political systems to competing political parties. Post-conflict countries like Liberia, Sierra Leone and the Democratic Republic of the Congo have joined the rank of democracies in Africa with multiparty systems. Across the continent democratic space

continues to expand, and more political parties compete for power.

But many ruling parties in Africa continue to suppress opposition parties with different degrees of severity. And access to the media, state funds and logistical facilities are skewed in favour of the ruling parties in most countries.

Organisational structures of African political parties remain largely undemocratic. The internal processes of many parties, especially in conducting party primaries, are rarely democratic. Wealthy individuals continue to have disproportionate

influence in party affairs and selection of candidates. And parties are not sharply distinguishable by their programmes and policies, suggesting a dearth of ideas, perspectives and visions in the party system in Africa. This general trend of ineffective political parties is exacerbated by the hostility of incumbent parties to the frequently splintered opposition parties and the inability of the latter to form viable, competitive blocs. This situation has not changed since AGR I.

Multiparty democracy stands a greater chance in Africa if contending political parties are given equal opportunities and the parties become institutionalized. While there is a proliferation of parties in the continent, many are too weak to provide effective opposition alone.

Elections are more regular, but flawed in some countries

Elections have become the measure of democracy in Africa. In the decade 1996–2006, 44 elections were conducted in Sub-Saharan Africa; from 2005 to 2007, 26 presidential and 28 parliamentary elections were held on the continent. But the quality of elections remains suspect in many countries. Often they are less a peaceful means of transferring power than a trigger of conflict. Violence often follows elections in Africa, as evidenced by the recent experiences of Kenya and Zimbabwe—not a positive sign of the growth and consolidation of democracy.

In some countries the electoral authorities do not have the

autonomy, funding and institutional capacity to conduct free, fair and transparent elections, calling into question the credibility and legitimacy of elections. Incumbent regimes often put unnecessary political pressure on the electoral authorities, undermining their integrity as independent referees in the electoral process. The result is that the choices of the people are subverted. On the other hand, there are other countries where the electoral process and the electoral authorities remain credible and trusted by the people.

Adherence to constitutionalism and the rule of law remains a major challenge

Respect for the rule of law and constitutionalism, though on the increase, is still limited in Africa. In some countries the executive has attempted to change the constitution to stay in power. Between 1990 and 2008 the constitution was amended in eight African countries to elongate the term of office of the president, mostly against popular opinion.

The media in Africa do not operate in a fully free environment—even in South Africa, Nigeria and Kenya, which are noted for the vibrancy and tenacity of their media. And even as civil society organisations continue to grow across Africa, there is some decline in their effectiveness in protecting and promoting human rights.

National governments in Africa are generally unwilling to allow the decentralization of power prescribed

by their constitutions. The concentration of resources at the center impinges on the capacity of local governments to operate for the benefit of the local communities.

Social inclusiveness is on the increase

Virtually all the national constitutions of Africa prohibit discrimination on the basis of ethnic, religious, racial or geographical diversity. Some countries make a deliberate effort to ensure ethnic and racial balance in political representation. Overall, Africa is making remarkable progress in women's involvement and representation in public affairs. African countries place high in the global ranking of women's representation in national parliaments: Rwanda tops the list, ahead of older democracies such as the United Kingdom (ranked 53rd) and France (58th). Mozambique also ranked in the top 10, and 9 other African countries (South Africa, Tanzania, Uganda, Namibia, Lesotho, Seychelles, Tunisia, Senegal and Ethiopia) placed in the first 45 of a total of 189 countries from all regions of the world. This is major progress on social inclusiveness in governance in Africa.

Democracy is a work in progress in Africa

The will to make multi-party democracy work in Africa remains strong. At the continental and regional levels, several institutions—most notably the African Union, the Economic Community of West African States and the Southern African Development Community—have taken leadership

in promoting democracy and good governance. In 2007 the African Union enacted the African Charter on Democracy, Elections and Governance. The growing demand for pluralism may carry the day for the entrenchment of democracy and good governance in Africa in the years ahead.

Economic governance and public financial management (chapter 2)

Several African countries have made substantial progress toward good economic governance and public financial management in the last few years. But a great deal remains to be done.

There have been marked improvements in recent economic performance in Africa

Africa has experienced solid improvement in economic performance. The continent as a whole grew at an average rate of 5.7% in 2006 and 5.8% in 2007 in real terms, up from an average of 3.4% in 1998–2002. The marked improvement was widespread across countries, with fewer countries recording negative growth than in the last decade, and an increasing number growing above 5%. In 2007 the growth of real GDP per capita exceeded 3% for the third consecutive year, reaching 3.2%, compared with about 1.5% in 2000.

African countries also made progress in creating a macroeconomic environment conducive to private-sector development and investment promotion. For the continent as a whole consumer price

inflation is in single digits, government budget balances and current account performance have improved and external debt levels have declined. The debt burden has been eased by relief for low-income countries under the World Bank's Heavily Indebted Poor Countries initiative and the Multilateral Debt Relief Initiative of the International Monetary Fund.

... but macroeconomic challenges remain

Improvements in the balances of national budgets and current accounts over recent years were due to the strong performances of net oil-exporting countries on the back of high international oil prices. But rising food and fluctuating oil prices are beginning to pose a threat to price stability and put pressure on budget and current account balances, especially in net oil importers and low-income countries. Another major challenge facing African countries is management of exchange rates to support the competitiveness of the domestic economy while also ensuring that inflationary pressures are kept under control.

Public policy has a crucial role to play in making economic growth broad-based and inclusive

Economic growth in Africa has not been broad-based and inclusive, with a concomitant reduction in poverty levels, creation of jobs or improvements in social development, especially in Sub-Saharan Africa. In Sub-Saharan Africa unemployment rates remain high, the number of people living in

extreme poverty is on the increase and progress in reducing under-five infant mortality rates has been slow. Northern Africa is performing well on social development indicators, though female unemployment rates remain high relative to those of males. Youth unemployment is still a major problem in Africa. Public policy has a crucial role to play in improving the quality of economic growth by facilitating private-sector development, improving basic public services and emphasizing social development.

There have been notable improvements in public financial management

Judging from recent trends in government revenue as a percent of GDP, African countries have, for the most part, dramatically increased their revenue mobilization since 2002. A growing number of countries are adopting a medium-term expenditure framework (MTEF) for their budgetary process. More countries are recording smaller budget deficits, meeting their revenue mobilization targets, demonstrating more transparency in monetary policies and improving the auditing of public funds. Despite these positive changes, several countries still score quite low on the control of corruption, the integrity of their tax systems, transparency and accountability.

Transparency and accountability in public finances are still problematic

Introducing transparency in government procurement remains a major challenge. The performance of African countries in budgetary oversight

is somewhat negative, due largely to a lack of resources and procedures in the auditor general's office, deficiencies in the powers and exercise of oversight functions by parliament and lack of cooperation by the executive branch of the government. There is an urgent need for accelerated reform and capacity building in public management (public expenditure and financial management), especially to promote transparency and accountability and to control corruption.

Private sector development and corporate governance (chapter 3)

Since AGR I there has been little progress in creating an effective environment for developing the private sector and promoting good corporate governance. In some instances the fault lies in inappropriate policies. More significant is the lack of capacity to implement the strategies and policies adopted.

Progress has been slow in creating an enabling environment for private-sector development

There has been only meagre progress in growing the private sector. Privatization of state enterprises has slowed, perhaps due to the fact that most of the profitable enterprises have already been privatized. Few countries have full-fledged anti-monopoly regimes in place, though more are in the process of adopting such policies and legislation. There has also been limited progress in creating free-market economies, and African countries continue to rank low in the Index of Economic Freedom.

There has been significant progress in reducing administrative burdens on businesses, but the cost of doing business is still high

One area of significant progress is reducing the cost and burdens of doing business in Africa. From January 2005 to June 2007, 29 of the 32 countries surveyed in this report introduced 99 positive reforms: setting up one-stop institutions for investors, streamlining licensing procedures, reducing the cost, duration and procedures for creating or expanding an existing business and reducing the tax burden on businesses. Despite these reforms, African countries lag behind those in other regions on the ease of doing business. In Africa, especially Sub-Saharan Africa, it takes longer and is costlier to start a business and to obtain licenses, the labour market tends to be more rigid, taxes on businesses tend to be higher as a proportion of profits and it is relatively costly to export and import goods. This state of affairs is a cause for concern because there is compelling evidence that heavy regulations governing business and labour and higher corporate taxes are associated with lower levels of investment, employment, productivity and output in the registered sector. Those conditions also encourage a larger informal sector.

Lack of access to finance, land and quality infrastructure services remains a major obstacle to private-sector development

The private sector in Africa lacks access to finance due to the relatively low private savings rate, unsuitable assets for collateral, weaknesses in collateral and bankruptcy laws and

their enforcement, scarcity of credit information to enable lenders to assess potential borrowers and weak financial markets. Access to land is a significant feature of the business environment in Africa because agriculture is the livelihood for a majority of poor people. To facilitate access to land, governments must adopt and enforce policies on land tenure, redistribution, compensation and infrastructure that allow for land registration and transferability as well as enforcement of property rights by the legal and judicial systems. Africa also lags behind other developing regions in the quality, cost and predictability of infrastructure services.

Incentives to attract foreign direct investment remain important

With only a few exceptions, taxes and other incentives continue to be directed largely at attracting foreign direct investment (FDI) instead of boosting domestic investment. Some countries have established economic export processing zones where preferential economic policies—tax incentives, fewer restrictions on hiring expatriate labour, generous foreign exchange retention rates, access to land, developed infrastructure and streamlined procedures—are pursued to attract FDI. Still, the flow of FDI to Africa continues to be far less than the flows to other developing regions, and domestic investment is also low due to low income and savings. Further, the flow of FDI to Africa continues to be concentrated in a few countries rich in oil and other natural resources, with limited impact on domestic employment. The wisdom

of continuing with the strategy of attracting FDI is therefore questionable. Instead, countries should concentrate on improving their overall economic environment.

More countries are adopting regulations and institutions to enforce contracts and protect property rights

Constitutional provisions and legislation have been adopted to enforce business contracts and protect individual property rights, including intellectual property rights and shareholders' rights. The most popular reforms have been specialized commercial courts and simplified court procedures to increase the efficiency and reduce the cost of enforcing business contracts. Reforms aimed at making it easier and cheaper to register and transfer property titles have also been instituted. A number of countries have either adopted national codes on corporate governance or promulgated regulations on the operation of corporate entities, while others have enacted measures to ensure international credibility in accounting and audit practices.

Weaknesses in contract enforcement, protection of property rights and corporate governance persist

Enforcement of business contracts in most African countries is often tedious, time consuming and expensive, giving little incentive to businesses, especially small ones, to use the courts to settle business disputes. Registration of property and applications for intellectual property rights are complex and costly administrative procedures. In the majority

of project countries, less than half of the experts surveyed regarded government as effective in protecting property rights and enforcing business contracts.

Corporate governance has not advanced much in Africa, except for countries in Southern Africa. The data suggest that laws to protect shareholders, especially small shareholders, are not effective, and Africa ranks as the region with the lowest protection of shareholders. But the surveyed experts did rate African governments favourably in this area.

... due mainly to institutional capacity deficits, inappropriate legal and regulatory frameworks and poor governance in general

Even when a regulatory and institutional framework exists, implementation is compromised by the lack of effective enforcement mechanisms due to deficiencies in capacity. Institutions for protecting property rights, enforcing business contracts, setting standards for accounting and auditing procedures and requiring compliance with codes and standards of corporate governance remain weak. And they lack the skills and independence to achieve their objectives. The inappropriateness of global standards for local market conditions and economic structures, and the poor political and economic governance in general, including corruption and weak rule of law, also reduce the effectiveness of enforcement.

Checks and balances (chapter 4)

The distribution of political power among the three branches of

government is articulated in the doctrine of separation of powers and stipulated in a constitution. Separation of powers ensures that no branch of government is able to dominate the other branches and agencies of government. In a democracy the executive is periodically elected in open, competitive and fair elections. And in the performance of their functions the appointed civil servants support the executive. To sustain and promote good governance it is imperative to monitor and check the performance of the executive.

Executive dominance persists

Executive dominance is one of the disconcerting features of modern African governance systems, and checking executive power is a major factor in good governance. AGR I concluded that although the phenomenon of the “Big Man” in African governance systems is waning, the tendency of the executive to dominate continues to be a feature of many African states.

Not much has been done since the publication of AGR I to invigorate checks and balances, strengthen separation of powers or constrain the executive. The core structures of the separation of powers are in place in most African countries. There are established legislatures and judiciaries, but there is a lack of capacity, commitment to democracy and respect for the rule of law.

The way forward is to ensure that the modest gains in constraining the executive do not wither away. Measures should be taken to further strengthen them, and new

ways should be explored to promote democracy and good governance in Africa.

Non-state actors check executive powers and other agencies of government

Non-state actors (civil society organisations, professional groups and the private sector) can play important roles in checking and balancing the executive and other agencies of government. Across the continent vibrant civil society organisations have emerged, and continue to do so. They have exposed abuses of power and demanded accountability and transparency. Between elections, civil society organisations keep the government on its toes, reminding ministers of their promises, insisting on accountability and transparency and generally keeping alive the democratic process. The majority of consulted experts in all of the reviewed countries shared the view that civil society organisations in most countries enjoy a considerable degree of operational independence and are not constrained by the state or harassed by incumbent political parties.

People's empowerment and vigilance constitute the most effective check on state power

In the last analysis, governance is about people and how they organize themselves to achieve their common objectives. In a democracy people are the ultimate source of constitutional and political legitimacy. They are the beneficiaries of good governance and victims of bad governance. To promote good governance and prevent bad governance, they must be empowered with knowledge

about the role and responsibilities of government, their citizenship rights and obligations and the consequences if their rights are infringed upon or their obligations not exercised. Empowered people are likely to call to account those in authority and ensure that the institutions, principles and processes that support checks and balances are strengthened.

Effectiveness and accountability of the executive (chapter 5)

The executive plays a major role in the governance system of African countries. It ensures peace, security and stability, creates the enabling environment and regulatory framework for productive and creative activities and provides essential public services for the citizens. The effectiveness and accountability of the executive are therefore central to state performance. Effectiveness means the executive has the appropriate capacity and legitimacy for performing the expected functions. Accountability entails inclusiveness, popularity, transparency and responsiveness to the public.

Marginal improvement seen in the quality of the executive

While the quality of the executive has improved in some African countries, more needs to be done to improve the qualifications of the leadership on both the political and bureaucratic sides of the executive branch. The lack of intraparty democratic electoral processes in many African countries limits the emergence of leaders with competence and political will.

Institutional capacity of the public bureaucracy remains weak

A competitive, merit-based recruitment system ensures that the best people will be attracted to the public service. Although the principles of competitiveness and meritocracy in the recruitment of civil servants are generally recognized and acknowledged, their implementation has been slow in most countries, often neglected for political and ethnic reasons.

Low pay, poor working conditions and lack of training persist in the public sector of many African countries. Only a few countries have raised salaries to match the cost of living; in many others the salaries do not provide a decent livelihood, especially for the lower ranks of the service. Working conditions also need to be addressed, including adoption of modern information technology. While training facilities are available in almost all project countries, the nature and quality of the training leave much to be desired. With the exception of a few countries, public service reforms have not achieved the intended objectives.

Decentralization brings few gains in service delivery at the local level

African countries have embarked on decentralization programmes to raise the quality of services and bring them closer to the people. But inadequate capacity, poor management and low funding have been the bane of decentralization schemes. Many local authorities cannot provide clean and safe drinking water, maintain adequate standards of sanitation, light the streets, collect garbage,

enforce planning laws, repair or build new roads, run markets in an efficient manner, provide amusement parks and regulate businesses in accordance with trading and business laws. Only in four project countries—Tunisia, Seychelles, Gambia and Botswana—did 40% or more of the experts indicate that local governments have the capacity to manage their responsibilities.

Many African governments recognize the positive role of traditional authorities in promoting good governance and facilitating efficient service delivery. But much needs to be done to overcome structural and organisational constraints affecting their efficacy as viable community institutions that can assist in promoting efficient service delivery at the local level.

The delivery of services in many African countries is far from satisfactory. In the health sector the quality of services remains poor. There are critical shortages of trained and qualified health personnel, particularly in rural communities. Hospitals and clinics are overcrowded and operate at less than capacity due to shortages of trained professionals and inadequate equipment.

More resources are needed for the delivery of social services, especially health, education, roads and electricity.

Transparency and accountability of the executive needs to be improved

Many African countries are establishing structures and institutional mechanisms to promote transparency

and accountability in the public sector. Those efforts have achieved modest results. There are mixed results on the accountability of the executive in 2007, and the index on civil service transparency and accountability across all project countries increased only marginally from 44% in AGR I to 45% in AGR II.

Scaled-up efforts needed in the fight against HIV/AIDS

The HIV/AIDS pandemic has been contained in some countries and reduced in a few others. But it is still a devastating threat to the economies, societies and governance systems in Africa. A concerted approach in all areas of governance is needed to combat it. The medical and technological components to combat the phenomenon must be in place and updated as medical and technical knowledge improves. In the last analysis, however, the most critical factor is the people and what they can do to contain, moderate and eventually eliminate HIV/AIDS.

They must be empowered to understand the pandemic and its impact on their lives and livelihood, lifestyles, cultures and traditions. This can only be achieved through sustained public information, better service delivery and improved livelihoods in the most affected countries.

Human rights and the rule of law (chapter 6)

Human rights and the rule of law are key indicators of good governance. In this regard, Africa has a mixed record: while the formal commitments taken at both the global and regional levels demonstrate a willingness to advance the cause of

human rights and the rule of law across the continent, the reality on the ground is unsatisfactory. More efforts are needed, especially to enforce the rights provided for under the various international, regional and national instruments. Moreover, it is important to deepen a culture of human rights in Africa among political leaders, policymakers, bureaucrats and ordinary citizens.

Greater institutionalization of human rights machineries needed

Several African countries are parties to international and regional human rights treaties. In addition to the international commitments they have taken within the United Nations and the African Union, many countries have also established national human rights institutions. These institutions' functions and powers vary from country to country, and in some instances they need to be strengthened to comply with international standards.

In 2008 the African Union merged the Court of Justice of the African Union and the African Court on Human and Peoples' Rights into a single judicial body, the African Court of Justice on Human Rights. If the Court is granted autonomy and the necessary resources, coupled with the appointment of judges with impeccable credentials and integrity, it can be a major regional organ to redress human rights violations, abuses and impunity in Africa.

. . . to face significant enforcement challenges

Despite the improvement in human rights and the rule of law at the

continental and regional levels, the domestication and enforcement of provisions at the national level is generally unsatisfactory. Often, formal commitments are negated by the failure of many states to give effect to the relevant treaties as legally binding instruments in national law. African law and practice are below international standards in several areas: gender equality, freedom of expression, religion, peaceful assembly and participation in public affairs. This gap between formal treaty commitments and reality is due to the weakness of state institutions, lack of political will and cultural and traditional prejudices. And public order is often used to justify unreasonable limitations on human rights and public liberties.

Need to deepen the human rights culture

Human rights and the rule of law are the subject of numerous bilateral and multilateral agreements. But internalizing the values contained in the agreements by the various stakeholders is far from a reality. Some states have used public security as a pretext to pass anti-terrorism laws that deny rights holders of their entitlements. The general public has quite a negative perception of law enforcement officials, including the police and the judiciary.

. . . to increase people's confidence in their institutions

Respect for human rights helps to reinforce the rule of law and increase the confidence of the citizenry in

public institutions. But most African countries perform dismally on responding promptly on human rights violations. Impunity and lack of respect for due process of law by state institutions are considered common in many African countries. Only a few countries offer a different picture.

Generally, respect for human rights has improved modestly since AGR I. The overall index on human rights from the ECA survey results indicates a 2 percentage point increase since AGR I, from 48% to 50%. Respect for the rule of law also increased, from 49% to 52%.

Corruption in Africa (chapter 7)

Corruption remains the single most important challenge to the eradication of poverty, the creation of predictable and favourable investment environment and general socioeconomic development in Africa. The general perception of the expert panel is that the major institutions of government—executive, legislature and the judiciary—are corrupt in varying degrees. It is also understood that non-state institutions of civil society and the private sector are not immune to corruption. Corruption continues to deepen poverty and stall the realization of the Millennium Development Goals in Africa.

Concerted efforts made to tackle the problem, but challenges abound International, regional and sub-regional instruments on corruption provide the benchmarks and

parameters by which African countries can tackle the problem. Many countries have enacted progressive anti-corruption laws, although those laws may not be up to the standards of the international and regional instruments. Multiple anti-corruption institutions have been established in many countries, including those charged with money laundering, a permanent dedicated anti-corruption body, code of conduct bureau, an ombudsman and oversight agencies like the auditor general. There are parliamentary committees, and ad hoc bodies are regularly established to investigate specific cases of corruption or misadministration.

There have been major breakthroughs in anti-corruption investigation and convictions in several countries. In Nigeria the Economic and Financial Crimes Commission recovered about US\$5 billion. But many national anti-corruption agencies are relatively weak, with inadequate legal provisions supporting them and a lack of autonomy, and they are subject to undue political interference.

African governments must give greater attention to anti-corruption agencies in four critical areas: the law establishing the agencies, which must conform with the minimum standards set by the United Nations and African Union conventions on corruption; the institutional and administrative autonomy they exercise; their funding; and the process for appointing and removing their members. In turn,

an anti-corruption body has to be accountable to the democratic institutions in its country, especially the parliament but also the people, through activities that are transparent.

Global initiatives reinforce Africa's fight against corruption

To complement the efforts of African countries, there are special initiatives at the international level to fight corruption, including the Extractive Industries Transparency Initiative (EITI), the Publish What You Pay Campaign, and the Kimberley Process. These initiatives have improved management and transparency and accountability in the extractive sector. But corruption in the extractive industry persists, and it has a direct impact on deepening poverty in many resource-rich countries in Africa.

Little progress made in asset repatriation from Western countries

Recovering and repatriating stolen African assets and resources from Western countries remains a dark spot in the global anti-corruption campaign. Western countries do not demonstrate enough commitment to tackle the problem. The legal regime in asset repatriation is complicated and cumbersome, and the costs of asset recovery make it an arduous, if not almost impossible, challenge for African countries.

The provisions of the United Nations Convention against Corruption on asset recovery must be enforced, while the United Nations Security Council should consider

classifying the harbouring of stolen assets from poor countries as a global security risk, because it threatens the peace, progress and development of those countries.

Anti-corruption agenda needs to be scaled up

In the final analysis, the fight against corruption will involve considerable efforts by African countries in three areas:

1. *Institutions.* There must be conscious efforts to build key oversight institutions in Africa, namely the parliament, judiciary, the office of the auditor general, the ombudsman, the public procurement system and the various anti-corruption bodies. They need institutional autonomy, operational capacity, resources and a free and democratic environment in which to function.
2. *Anti-corruption constituency.* Civil society and the media, complemented by the key public anti-corruption institutions, can provide a powerful constituency in the fight against corruption in Africa. All the actors and institutions involved in the national anti-corruption campaign need to collaborate and regularly exchange ideas and information.
3. *Remuneration for public servants.* Public-sector workers need living wages to improve their morale and dedication to work and to prevent moonlighting and corrupt practices. Poor salaries encourage both petty

corruption and collaboration in grand corruption.

Institutional capacity building in governance (chapter 8)

Upon achieving independence, many African countries inherited weak and inefficient institutions that had been designed to serve colonial interests. The newly independent countries embarked on building schools, health facilities and universities. Then a shift in the policies of multilateral donors pressured governments to invest less in higher education. As universities declined, many educated Africans left for opportunities abroad. The capacity of universities was further undermined by the brain drain caused by oppressive military and authoritarian regimes.

Other developments heightened the need for capacity building in Africa: the structural adjustment programs of the 1980s, the shift to market economies, demands for transparency and accountability and the advent of information technology. The last few decades have witnessed efforts by national governments and their development partners to address the capacity challenge. The results achieved, however, have not equaled the resources allocated.

Capacity building is more than a technical exercise

Capacity building is about people. They have to be trained, adequately equipped and sufficiently remunerated. Capacity building is also about appropriate policies and infrastructure. But it should be recognized

that it is more than a mere technical exercise. It is rooted in the political economy of a country, and any durable capacity-building programme has to design its intervention strategy with that in mind. The major capacity challenge for Africa is to promote the kind of culture of good governance necessary for sound economic management, efficient service delivery and empowerment of the people. Governance capacity is needed to create a capable democratic state, a virile civil society and a thriving private sector with a positive culture of corporate management.

The capacity challenges can be met

As it stands, many governance institutions in Africa—the legislature, executive, judiciary, civil service, political parties, civil society and the private sector—have a serious dearth of capacity. Sustaining and institutionalizing the modest gains in Africa will require a substantial scaling up of capacity development efforts by those institutions. Four interventions will help to address the capacity constraints in governance institutions:

Enhance the capacity of the legislature.

The skills of standing committee members need to be strengthened, as well as the technical and professional support for the parliament. Members need resources to strengthen their relationships with constituencies. And training is needed to familiarize newly elected members with the workings of parliament.

Enhance the capacity of the executive.

The executive needs to be

strengthened by improving skills in policy analysis; formulating, managing and developing programs and monitoring them; strengthening the statistical office to enable it to generate reliable data for decision making and developing think tanks to broaden the sources of vital and credible information for policy discourse. Information technology should be harnessed to improve efficiency of service delivery, and executive capacity should be built to manage the changing role of the public sector in the context of globalization, the market economy, multiparty democracy and the information revolution.

Local governments need an enabling policy environment and adequate financial resources to improve their service delivery to the public. Their capacity for financial planning and management, policy and program design, implementation, monitoring and evaluation and improved accountability should be strengthened. Equally, local governments' capacity to respond to the needs of the community should be strengthened, especially by assisting them to develop a participatory planning and budgetary process that involves communities and other stakeholders in setting priorities and providing oversight.

Enhance the capacity of the judiciary.

The judiciary needs adequate resources to improve its remuneration system so it can attract and retain qualified people. An efficient case management system should be built, and information technology harnessed. Continuous training

should be provided at all levels to enhance the skills of the judicial staff. Resources should be made available for offices, courthouses and equipment that will improve the efficiency of the courts. Above all, a determined effort is needed to protect the independence of the judiciary in those countries.

Enhance the capacity of non-state actors. Non-state actors have to be able to participate in policy formulation and implementation, advocacy, negotiation and lobbying. Civil society organisations need strong skills to monitor public service delivery.

Funding policies of political parties should be reviewed to ensure that there is relatively equitable support for both large and small parties.

Governments should double their efforts to remove the policy, regulatory and infrastructure constraints that burden the private sector. The private sector should engage in a dialogue with other stakeholders in development, especially the public sector and civil society, to influence the policy agenda

The media in many countries need assistance to improve their skills through appropriate training.

In conclusion

Africa's ability to achieve sustained structural transformation in the decades ahead will depend on the political commitment to support capacity building and to effect the reforms that will enable effective use of that newly built capacity.