

# Africa: not all hopes are lost

By Callisto Madavo

DAWN  
27.6.00

THE first months of the new century have been deeply troubling for Africa. In Sierra Leone, Zimbabwe, Ethiopia and Eritrea, discord and violence have replaced hope. The international media have sounded an alarm. To some, the "African renaissance" seems a thing of the past.

No African can be indifferent to these events. But under the clouds a more complex scene is unfolding. Eighty per cent of Africans are fighting poverty rather than each other.

Economic growth has taken hold. Political systems are more open. The press is freer than 10 years ago. Countries are shrugging off outdated solutions, while drawing on the wealth of cultural traditions. Regional institutions are growing stronger.

Africa's largest country, Nigeria, is rousing itself from the bonds that have kept it subdued. Like South Africa, it is beginning to exert an influence beyond its borders.

Private investment in Africa is picking up, and important transnational energy and transport projects are going ahead.

But are we grasping at straws? This question is posed by a new study compiled by the World Bank and several African institutions, "Can Africa Claim the 21st Century?"

The continent's development challenges are certainly gigantic. Excluding South Africa, sub-Saharan Africa is the world's poorest region, with almost half the population living on less than \$1 per day. Average income is lower than in 1970. Incomes, assets and essential services are distributed unequally.

Development problems that used to be global have now become largely African. Fewer than one in four rural girls attend primary school and even fewer complete it. Endemic disease, including malaria and AIDS, imposes costs at least twice as high as in other developing regions. One in every five Africans lives in conflict. Allowing for natural resource depletion, savings are close to zero.

Africa has lost half its share of world markets since 1970 — equivalent to \$70 billion of income per year. There has been little diversification from traditional primary products into new dynamic lines of busi-

poverty rapidly.

The new century offers a special opportunity to change this picture. Political systems are much more open than a decade ago, paving the way for more accountable governments. With the end of the cold war, Africa is no longer a strategic battleground, where allies receive assistance regardless of their political or development records. New information technology offers advantages for Africa, large parts of which have been physically isolated from the rest of the world.

A concerted approach — led by Africans, supported by donors and adapted to individual countries — can produce solid results, as several countries have shown.

Improving governance and preventing civil conflict are the most basic requirements. Africa's wars are not driven just by ethnic differences. As elsewhere, they reflect poverty, lack of jobs and education, rich natural resources that tempt and sustain rebels, and political systems that exclude large groups.

Conflict prolongs poverty and entails enormous costs in rebuilding states, not just economies. Mozambique's successful reconstruction efforts have shown just how hard this is.

With few exceptions, the better-managed countries are those which have made the greatest gains in political participation. Development programmes must help citizens understand what governments are doing and make them more accountable. More needs to be done to strengthen parliaments and other representative institutions, in part by ensuring that aid itself is transparent.

Investing in people in the second imperative. Too many countries are caught in a cycle of high fertility and mortality and low savings. AIDS is the real threat. It is raising the ratio of dependents to able-bodied workers, already twice as high as in East Asia. A comprehensive prevention plan would cost 1 to 2 per cent of GDP, even without costly drug therapy.

With political commitment, AIDS can be contained. Senegal and Uganda have shown the way. But governments and donors have barely begun to tap the potential of Africa's strong communities. Resources are channelled through weak central institutions that are seen as remote and often corrupt by the intended beneficiaries. For every \$100 spent on drugs,

ness, and a massive flight of capital and talent to other regions. Africa is also in danger of being excluded from the information revolution. Is there a way out? Definitely. Where economic reforms have been sustained and there is peace, growth has been strong since 1995, investment has increased and rural poverty has been reduced.

But in most countries the response is not yet strong enough to overcome years of falling income and is constrained by run-down infrastructure and weak institutions. With population rising rapidly, 5 per cent growth is needed to cut

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patients may receive benefits of only \$12, due to bad procurement, poor storage and theft.

Decentralization and money are needed, but so is imaginative reform. For instance, linking traditional birthing attendants with clinics using modern technology reduced material mortality in Uganda by half in just three years. Such examples need to be publicized and emulated elsewhere.

A third priority is to accelerate investment (in essential infrastructure, among other things) and diversify economies. Agriculture has responded to limited reforms, but centuries of extractive policies have left it short of capital and in need of sustained investment. Better access to rich markets would also help. Agricultural subsidies amounting to \$3000 billion a year in the OECD countries equal Africa's entire GDP.

Meanwhile, funding is falling sharply. Despite major new commitments for debt relief, aid transfers have fallen from \$32 to \$19 per person since 1990.—*Dawn/IHT Service*

*The writer is vice-president for the Africa region at the World Bank*