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# CAN THE NEW PARTNERSHIP FOR AFRICA'S DEVELOPMENT TRANSFORM AFRICA THROUGH GLOBAL PARTNERSHIP? *

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## Abstract

The most recent endeavour to address Africa's development at the continental and international level is the New Partnership for African Development (NEPAD), after several international initiatives in the past were never put into practice. NEPAD proclaims its motivation and authenticity from the concept of the African Renaissance. This article tries to find both the positive and not so positive aspects of NEPAD in the hope that a critical inquiry would help clarify some of the concerns fundamental to this initiative. In part, this article reviews development efforts in the past to highlight the challenges facing NEPAD. Three issues surface from this article. First, where is the money going to come from for this ambitious project promoted by some of the major political leaders of Africa? To what extent is NEPAD owned by Africa? What should Africa do to help the West to help Africa? Towards the end, the article provides a brief case of Tanzania's debt relief strategy as the latest component in Africa's new partnership with the West highlighting the weakness of NEPAD's expectation on Africa's debt relief.


## 1. Introduction

"Defend Africa, fight NEPAD, Africa commits itself to re-colonisation with the collaboration of the African leadership, without consulting the African people" (Brutus, 2002).

With the daylight of the new millennium, the rhetoric of partnership is once again dictating lexis of international relations between the south and the north. Clearly, partnership is not a fresh idea in international development dialogue. In the 1960s, when a sizeable number of African countries achieved political independence, it became a catchphrase in discussing relationships among and between poor and rich countries (Pearson, 1969). So what is new in the New Partnership for Africa's Development (NEPAD)?

## 2. Who Gave Birth to NEPAD?

NEPAD is the renaming of the New African Initiative, which is a merger of the Millennium Africa Recovery Plan (MAP) and OMEGA PLAN for Africa's

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economic recovery. President Abdoulaye Wade of Senegal was instrumental in the creation of the OMEGA Plan. Wade's plan came into view after a discussion at the OAU Summit in Lome in September 2000, where heads of state and government realized that globalisation was not bringing in the expected rewards for Africa. Subsequently, President Wade presented the OMEGA Plan at the France-Africa Summit at Yaounde, Cameroon. At its core, OMEGA's objective for Africa was to catch up with developed countries. According to President Wade, this could take place through a long-term injection of capital into four particular areas which are: infrastructure, education, health and agriculture. The expected gain was that this would make Africa attractive to foreign investors. At more or less the same time, the South African President unveiled the Millennium African Recovery Plan (MAP). The objective of MAP was to further integrate Africa into the global economy by increasing the inflow of capital, reducing debt and the increasing development aid. President Mbeki sought support for MAP from a number of African leaders, leaders of major industrialized countries and multilateral institutions (OAU, 2001).

In July 2001, the presidents of South Africa and Senegal agreed on the need to have one common project for the recovery of Africa to present at the OAU Summit of Heads of State and Government. Consequently, they were able to fuse the OMEGA Plan and MAP to produce the New Africa Initiative (NAI). This was then adopted at the OAU Head of States and Government's Summit held from 9th –11th July, 2001 in Lusaka, Zambia. The five key countries driving NEPAD are South Africa, Nigeria, Algeria, Egypt and Senegal. These comprise the NEPAD steering committee. South Africa is the host of the NEPAD secretariat, and it drives the peace, security and governance cluster. President Obasanjo of Nigeria is chair and presidents Wade of Senegal and Bouteflika of Algeria are his deputies. NEPAD is based on the idea that African states will hold each other accountable. NEPAD intends to work regionally – in Northern Africa (Algeria, Egypt, Tunisia); Southern Africa (Botswana, Mozambique, South Africa); Western Africa (Mali, Nigeria, Senegal); and Eastern Africa (Ethiopia, Mauritius, Rwanda). These regional countries will constitute the implementation committee.

### 3. What is NEPAD?

The New Partnership for Africa's Development is a pledge by a sizeable African leaders based on a common vision and a firm and shared conviction that they have a pressing duty to eradicate poverty and to place their countries both individually and collectively on a path of sustainable growth and sustainable development and at the same time to participate actively in the world economy and body politic. The NEPA Programme encompasses eight parts including the introduction and conclusion. Part two locates Africa in the world today. Part three looks at the role of African leaders. Part four puts forward a strategy for sustainable development. Part five provides a programme of action. Part six discusses the new global partnership, and part seven explains how NEPAD will be realized.

NEPAD is a development programme that claims to promote sustainable self-development. Its stated mission is to liberate Africa from its history of underdevelopment, poverty, war and corruption: "The hopes of Africa's peoples for a better life can no longer rest on the magnanimity of others" (NEPAD, 2001, paragraph 44). NEPAD utters a new political will and a tenacity to spread democracy: "Across the continent, democracy is spreading, backed by the African Union (AU), which has shown a new resolve to deal with conflicts and censure deviation from the norm" (NEPAD, 2001, paragraph 45). NEPAD has as one of its foundations the expansion of democratic frontiers and the deepening of the culture of human rights.

To overcome the backlog of underdevelopment, NEPAD has to construct a plan in order to achieve an annual growth rate of 7% for the next 15 years, and secure financing of $64 billion per year to accomplish its development goals. These resources will go into a series of key projects aimed at inspiring regional and integrated development, building economies of scale and harmonisation of industries on a continental basis. Various incentives are offered to African countries to get them to endorse and comply with NEPAD's objectives and principles. Thus, NEPAD is being marketed as an African plan aimed at ensuring Africa takes the lead in achieving compliance with democratic governance, peace building, respect for human rights and sound economic policies that will provide confidence to investors.

NEPAD is founded on three approaches – creating the preconditions for development, addressing priority issues and mobilizing resources. The preconditions for development are the promotion of peace, democracy, human rights and sound economic management. These preconditions require the strengthening of the weak states in Africa. Regional cooperation and integration in Africa is also a precondition in so far as it will create the opportunity for increased trade and investment as well as improve international competitiveness through the pooling of African resources.

The second approach is to focus on priority issues to prevent the further marginalisation of Africa and set the foundation for sustainable development in the long-term. This includes improving infrastructure, extending of information and communications technology, enhancing human development, health, education, culture and lastly restructuring agriculture and manufacturing as well as negotiating greater market access to ensure the diversification of production and exports. The third strategy is to mobilise resources through creating conditions that promote private sector investment to reduce capital flight and bring in foreign investors. In addition, effective tax collection will help mobilise national resources. Each strategy is backed up with a programme of action.

Reactions to NEPAD have been twofold. On the inspiring side, people have said it is an African led initiative by heads of state that are willing to subject themselves to peer review, a dynamic process that lends itself to further improvement. NEPAD has been heralded as an opening for mobilizing people in Africa to develop and focus on both local and international resource mobilisation.

The second reaction has been negative. President Yahaya Jammeh of Gambia, for example, has humorously referred NEPAD as "knee pad", - meaning that knee pads are needed by African leaders to cushion their knees when they kneel to beg from the rich industrialized countries (Quoted in Baregu, 2002). In this consideration, NEPAD is viewed as overtly adopting many neo-liberal economic assumptions about the importance of private sector-driven trade and foreign direct investments for economic growth and development. The customary neo-liberal case in support of liberalisation and eliminating restrictions on transnational corporations cling to the market as the best coordinator of society which should be left to operate efficiently without government interference. Implicit in this view is that efficient markets will magnetise transnational corporations and contribute significantly to the development process by bringing in financial resources, creating jobs, transferring technology and increasing exports as well as increasing the tax base. The failure of Africa to attract capital is understood as an upshot of structural constraints in African economies, political problems and lack of good governance. The NEPAD text audaciously embraces the phenomenon of globalisation, while simultaneously maintaining a critical stance on the absence of fair and just rules governing global capitalism. While it is true that in some parts of the world, globalisation has created prospects for lifting millions of people out of poverty, the question is, why has Africa not benefited? The words of NEPAD do not lack clarity here:

> In the absence of fair and just global rules, globalisation has increased the ability of the strong to advance their interests to the detriment of the weak, especially in the areas of trade, finance and technology. It has limited the space for developing countries to control their own development, as the system makes no provision for compensating the weak. The conditions of those marginalised in the process have worsened in real terms (NEPAD 2001, paragraph 33).

NEPAD emphasises that a critical dimension of responsibility is the need to negotiate new relations with international development partners. Quite interestingly, NEPAD leaves this responsibility to the international community:

"We hold that it is within the capacity of the international community to create fair and just conditions in which Africa can participate effectively in the global economy and body politic"(NEPAD, 2001paragraph 41). But isn't this true as many developing countries have argued that globalisation will not automatically benefit them and that steps need to be taken to make certain even spread of costs and benefits? This was also accepted in the General Assembly of the United Nations in September 2000 as part of the United Nations Millennium Declaration:

> For while globalisation offers great opportunities, at present its benefits are very unevenly shared, while its costs are unevenly distributed. We recognise that developing countries and countries with economies in transition face special difficulties in responding to this central challenge. Thus, only through broad and sustained efforts to create a shared future, based upon our common humanity in all its diversity, can globalisation be made fully inclusive and equitable. These efforts must include policies and measures, at the global level, which correspond to the needs of developing countries and economies in transition and are formulated and implemented with their effective participation (UN, 2000).

Within the second response, it has been suggested that there has been lack of commitment by African leaders. For example, although the multiparty political system wave has swept across the continent, it has done little to change the way politics is conducted (Tripp, 2000). Indeed, parliament, which is expected to be a people's institution, remains weak as a watchdog because it has traditionally supported rather than challenged government's policies. And in some cases it is uninformed or ignored by the government of the day. Almost every African country has been and is still fraught with its own internal problems, whether it is uniting the state, or tackling economic problems or meeting the basic human rights. Recent history suggests that it is not easier to do well at the continental level whilst decaying at the local level.

It is also important to emphasise that the process of developing NEPAD was a top down one. Despite its appeal to the peoples of Africa to take up the challenge (paragraphs 50-58), the fact is that the plan originated from the corridors of state power and endorsement was sought from selected governments and multilateral institutions. Even if NEPAD claims to be speaking on behalf of the poor, the African people have not participated in its the conception, design and formulation. In short, there is inadequate attention on full participation and mobilisation of the people of Africa for the collective ownership of NEPAD. If NEPAD is a plan for the people of Africa, there is need to bring in a broad voice and a larger constituency to deliberate on the idea. Since its launch, a few African leaders; Obasanjo, Thabo Mbeki, Wade and Bouteflika, have dominated the debate. Are we even sure that Nigerians, South Africans, Senagalese and Algerians are behind their leaders? If there has to be a certain sense of ownership, then African leaders are must involve a wider society. To be sure, lack of involving more people is a paradox in view of the fact that the NEPAD document accepts the fact that one aspect that retarded Africa's development in the past was lack of empowering the African people:

> Many African governments did not empower their peoples to embark on development initiatives to realize their creative potential. Today, the weak state remains a major constraint on sustainable development in a number of countries. Indeed, one of Africa's major challenges is to strengthen the capacity to govern and to develop long-term policies (NEPAD, 2001, paragraph 23).

On a more ideological plane, civil society has contended that NEPAD's endorsement of the neo-liberal framework integration into the world fails to recognise the subordinate role that it seems to assign the African economies in the globalisation process. Globalisation, into which NEPAD would uncritically integrate Africa, is increasingly revealing itself as a Machiavellian power system- a materialisation of the balance of hegemonic power- within which Africa has hardly staked a planned position.

## 4. A New International Partnership?

Section 6 of NEPAD addresses the formation of a New Global Partnership. The aspiration is to make certain that Africa is recognized for the contribution it has made and continues to make in the world. In line with this, NEPAD advocates a variety of programmes from developed countries and multilateral institutions so that Africa's revitalisation can be speeded up. Among other things, it recommends that the political and economic governance operate under a new framework, differing from past economic development programs that have originated from international bodies like the United Nations, the World Bank, or the International Monetary Fund.

> The various partnerships between Africa and the industrialized countries on the one hand, and multilateral institutions on the other, will be maintained. The partnerships in question include, among others, the United Nations New Agenda for the Development of Africa in the 1990s; the Africa-Europe Summit's Cairo Plan of Action; the World Bank-led Strategic Partnership with Africa; The International Monetary Fund-led Poverty Reduction Strategy Papers; the Japan-led Tokyo Agenda for Action; the Africa Growth and Opportunity Act of the United States; and the Economic Commission on Africa-led Global Compact with Africa. The objective will is to rationalise these partnerships and to ensure that real benefits to Africa flow from them" (NEPAD, 2001, paragraph 184).

A critical important dimension of this advocacy is whether there is anything new about these new requirements. The fact is that these objectives have also been conditions for financial assistance between Africa and the rich countries in the past, such as the Structural Adjustment Programs (SAP) and the Poverty Reduction Strategy Papers (PRSP). NEPAD gives the idea that it is different from past plans devised to solve Africa's development problems in three ways. Firstly, it exhibits political will on the NEPAD initiative from African heads of state themselves rather than originating from the international community. Secondly, NEPAD has garnered the sustained attention of decision-makers in the G8 because four African heads of state presented NEPAD and secured the interest of the developed country leaders at the G8 summit in Kananaskis, Canada, in July 2002. Finally, and perhaps most remarkable, African states have agreed that they will monitor each other to ensure good governance, sound economic policy, and social investment through an African Peer Review Mechanism (APRM).

In accepting this obligation to reform and be subjected to the APRM, African leaders are seeking to demonstrate to the international community that they are serious in governing their societies. The expectation is that the rich countries will raise resources for sustainable development by increasing capital flows to Africa and improving market access for African products. In a broad sense, increasing capital flows includes encouraging domestic investment, obtaining debt relief and cancellation, and increasing overseas development assistance and foreign direct investment. Also, African states will obtain resources through increased market access for agricultural products, mining, manufacturing, tourism, and services.

As proof of the new commitment to good governance and sound economic policy and as a basis for a new partnership with the developed world, African leaders have adopted the Declaration on Democracy, Economic, Political, and Corporate Governance to serve as a guiding framework for policy. By signing the Declaration, African leaders commit to the promotion of democracy and good political governance, uphold the rule of law, equal rights of citizens, an open political system, regular elections, separation of powers and transparent institutions, sound economic policies including transparent public financial practices, public debt management, international accounting standards, corporate governance, and socio-economic development. Furthermore, African leaders promise to manage conflict, encourage the development of civil society organisations, and respect the rights of women and ethnic minorities. These three principles in the Declaration form the framework and rationale under which NEPAD will be advanced and conditions for sustainable development achieved.

Clearly, the eroded position of Africa in the world economy is the driving force for developing a programme for African recovery by African governments. As observed in NEPAD, the most startling reflection of the continuing Africa's predicament is the high rates of poverty and unemployment throughout the continent:

> In Africa, 340 million people, or half the population, live on less than US$1 per day. The mortality rate of children under 5 years of age is 140 per 1000, and life expectancy at birth is only 54 years. Only 58 percent of the populations have access to safe water. The rate of illiteracy for people over 15 is 41 per cent. There are only 18 mainline telephones per 1000 people in Africa, compared with 146 for the world as a whole and 567 for high- income countries (NEPAD, 2001, paragraph 4).

A careful reading of the NEPAD document shows that Africa relies on the rich countries in two areas. The first is to make available resources for development and the second is to gain access to world markets for Africa's products. In the case of securing additional funds, the G8 is clear in stating that it depends on the capacity of African states to follow policies of market reform and practice democratic governance. In the second case, access to world markets for African goods depend both on the outcome of tariff negotiations with the EU and the US and on the ability of African governments to remove taxes that hinder the importation of products.

Since NEPAD's launch, the G8 have showed some interest in assisting the goals championed by the NEPAD initiative. In July 2001, at the summit in Genoa, Italy, the G8 promised to cooperate under the New African Initiative - NEPAD's predecessor. Renowned as the Genoa Plan for Africa, the G8 promised a new intensive partnership with Africa in support of among other things, democracy, peace and security, infrastructure development, economic and corporate governance, African private sector growth, and increased trade between the developed world and Africa. In the 2002 summit at Kananaskis in Canada, their deliberations on what to do to help Africa culminated in the G8 Africa Action Plan, which pledged Africa enhanced partnerships with countries pursuing democratic governance and market policies. Distinctively, the G8 committed to "promote peace and security in Africa, to boost expertise and capacity, to encourage trade and direct growth-oriented investment, and to provide more effective official development assistance." Additionally, the G8 promised African states to harness resources, political support, and expertise to advance NEPAD's objectives. Indeed, the $6 billion of additional aid announced was mainly a restatement of existing commitments and fell far short of the $64 billion that NEPAD leaders estimate is needed to put their plan into practice (G8 African Plan, 2002).

It is evident from this overview that the NEPAD is not very new – a number of the objectives outlined have already been made before by international institutions that have in the past been unfriendly to development in Africa. Furthermore, these objectives are much more limited than those contained in earlier programmes such as the Lagos Plan of Action adopted by the Organisation of African Unity. NEPAD views development from the standpoint that it should be led by the private sector in combination with the state but that the private sector is the driving force while the state steers development. In short, the thrust in NEPAD is no different and provides no alternative to the development paradigm proposed by governments of developed countries, the IMF, the World Bank and the World Trade Organisation.

It is probably true, as its strongest supporters have been claiming that NEPAD represents an integrated effort to codify Africa's relations with rich industrialized countries. However, while every endeavour to address Africa's development problem with all seriousness must be welcomed, it is equally important not to get carried away by promises. In this regard it is necessary to focus on economic reforms, which are emphasised in NEPAD. Attempts at economic reforms are not new to Africa. The major effort at market liberalisation began in the 1980s, with the Bretton Woods institution's structural adjustment programmes. Yet, two decades later, it is contentious that the structural adjustment programmes and other development frameworks have enhanced the economic condition in Africa. Some other studies, however, tend to suggest that development indicators in Africa have deteriorated (See, for example, Kapata, 1998). The idea of advancing trade liberalisation as a goal for African countries is simply appalling. Ironically, this demand of removing trade barriers was put to Africa by international institutions led by representatives of developed countries as conditions for obtaining development aid and loans. Suppose that African countries consent to this demand for increased openness and trade liberalisation and multinational companies invest in the continent in production for exports in a bigger way than they have done so far, will this really realise the objective of poverty reduction and improving living standards?

In view of the fact that private capital flows to Africa are an essential component of the plan, NEPAD accepts eligibility and conditionality. Central to the Capital Flow Initiative is that improved governance is a necessary requirement for increased capital flows, so that participation in the Economic and Political Governance Initiatives is a prerequisite for participation in the Capital Flows Initiative. What this means is that the right of African countries to determine their own development perspectives based on their history, experience and aspirations is an idea that is entirely missing from the Capital Flow Initiative. The late Kwame Nkrumah, the first president of Ghana writing in the early sixties depicted neo-colonialism as the last stage of colonialism.

According to Nkrumah, neo-colonialism was a bigger danger to African independent countries than colonialism (Nkrumah, 1965). Neo-colonialism is the kind of situation that is being witnessed in Africa where key policies such as planning, budgeting and employment must be consented by the international development partners.

Manifestly, the way that NEPAD was born suggests that most of African countries rarely seem to care about what the people are thinking on development. Governments in Africa are active consulting with, and adjusting the economic and political policies in line with the dictates of the international partners. NEPAD's proposals for democracy, good governance and poverty alleviation are calculated to give globalisation a human face to make up for its damaging effects. African governments are urged to form partnerships with governments of developed countries and multilateral agencies to support private sector entrepreneurs within a regulated capitalist market environment. The task of the state, in this scheme of things, needs to be fine tuned to meet the needs of the private sector. In this regard, NEPAD urges African governments to address the perception of investors that Africa is a high-risk continent. It argues that good economic and corporate governance policies will convince investors that governments in Africa are prepared to protect corporate interest and generate investor confidence. At issue here is that the Capital Flow Initiative is loaded with conditions eligibility that actually undermine policy choices that are within the sovereign rights of African countries. In this consideration, the initiative underline the diplomacy of conditionality with which the rich countries have grown accustomed to dealing with Africa. In the following section we briefly look at the experience of Tanzania in dealing with international partners in debt relief.

## 5. Debt Relief and Partnership: A Story From Tanzania

One of the most persistence methodical external intervention in poor countries over the last three decades has been structural adjustment programs and policies advocated by the IMF and the World Bank. For almost two decades of Tanzanian's independence, President Nyerere refused to give in to the neo-liberal structural adjustment policies reform package. However, a year after Julius K. Nyerere departed from the presidency, Tanzania signed the IMF supported Stand-by Arrangement 1986-1987, followed by arrangements under Structural Adjustment Programme Facility 1987-1990 and Enhanced Structural Adjustment Facility (ESAF) 1991-1994. In 1993, a year after the adoption of the multiparty system, relations between the Tanzanian government and international development partners came more or less to a standstill, leading to a discontinuation of aid disbursements. Some of the reasons cited for the state of affairs included corruption and bad governance. The other was development partners' discontentment with fiscal policies. The country had large deficits attributed to lack of expenditure control and insufficient tax administration. In 1996, the IMF supported programs resumed and a three-year ESAF (1996-1999) was put in place.

To be sure, development partners received the modest liberalisation measures introduced by President Mwinyi in 1986 in a positive way, and aid levels were raised in support of structural adjustment reforms. However, as the social costs of the reforms became manifest, the Tanzanian government began to voice doubts over the scope and pace of macro-economic reforms, the breakup of state ownership of national assets and market liberalisation.

One of the results of the structural adjustment programmes has been the rising level of external debt. At the end of 1998, external debt amounted to US$7.5 billion, including US$2.3 billion in arrears. Since 1996, Tanzania has been a main laboratory for the new development politics of partnership. In this environment, the donor community has pledged the Tanzanian government greater ownership of its social policies. For those in power, the real gain is the expected relief of foreign debt. In return, the Tanzanian government is obligated to a programme of total state reform. In general, some of these reforms deal with issues of governance- civil service reform, anti-corruption campaigns.

The sanctioned tale on the Tanzania Poverty Reduction Strategy was self-congulatory since the country qualified for Highly Indebted Poor Countries (HIPC) debt relief in 2000. The sensation in Tanzania and among the donor community was that the poor and rich partnership was working. Indeed for some, Tanzania is a showcase of the virtues of partnership. But, is it true that it has been relieved of its debt? Due to new loans contracted mainly from World Bank and African Development Bank, Tanzania's total debt in 2010 will be about three times as large as it was prior to the HIPC debt relief in 2000 (Danielson, 2001). On July 30, 2003, Tanzania's total external debt was US$ 7.6 billion, which is not an improvement on the debt stock before debt relief.

Speaking at the Third Tokyo International Conference on African Development (TICAD III) in Japan in September 2003, President Benjamin Mkapa held responsible the international institutions on the situation of non-performance of the parameters in the external debt development:

> Our advance is retarded, and, in effect governed and determined, by history that is not of our making. It is history shaped by presiding institutions of which none of us are cornerstones, and by rules in the making of which we have had no say… No African country had a say in the construction of present institutions of global governance. Therefore the countries' say in the decision-making is limited (Mkapa, 2003).

A basic conditionality for receiving aid is participation in the Economic and Political Governance Initiative. But what has partnership in poverty reduction achieved in the case of Tanzania? What type of partnership is Tanzania expecting in NEPAD that it has not yet achieved in the past? An analysis by Graham Harrison on post-conditional policy processes in Tanzania is of the view that "the national – international boundary has been rendered so porous by a historically embedded with mutual assimilation of donor and state power that rather than conceptualising donor power as a strong external force on the state, it would be more useful to conceive of donors as part of the state itself' (Harrison, 2001). This partnership is so obvious that external donors are more or less permanent in the domestic political space in Tanzania. This dynamic unequal partnership of domestic and transnational actors should inform us that there is no new partnership in NEPAD. NEPAD's focus is on debt reduction and overseas development assistance as complementary external resources and private capital flows. Clear evidence is emerging that NEPAD's is on a rocky foundation by expecting more aid since September 11, when the war on terrorism was launched.

As pointed out by Helleiner *et al* (1995), Tanzania has been an archetype in and key laboratory for testing new modalities. Helleiner and his group found that a major reason that the aid relationship in Tanzania had declined so noticeably was because of the gigantic 'transactions costs' to the Tanzanian government of accessing aid. Fundamentally, transactions costs were seen to be an extremely heavy burden on the limited financial and managerial resources of countries such as Tanzania. Every donor country had its strategy, its own accounting techniques and reporting format. For the record, it has been noted that the Tanzanian government officials on the average produces 2400 quarterly reports a year for external donors, and is visited by 1000 donor 'missions' (Kelsall, 2002). The fiscal years followed by donors were at variance from that of Tanzania and also among themselves. Each donor needed to send a separate mission to plan, appraise, negotiate, monitor and evaluate each of the interventions in its aid portfolio. And each mission demanded audiences with key officials in the Treasury, sector ministries, Prime Minister's Office and in certain cases wanted to be sure that the President's Office knows that aid was being given to Tanzania. The result was that the government spent a considerable amount of time attending to donor requirements. Furthermore, the 1995 Helleiner *et al* report questioned the soundness or rationality of donor criticisms, placing a large share of the blame on the government's half-heartedness in complying with conditionalities. The report specifically assigned the bulk of the responsibility for undermining the government's commitment on the World Bank which was characterised as "an institution encouraged by its superior manpower and other resources to be self-confident to the point of arrogance, with little consideration of others' views" (Helleiner *et al*, 1995). And more recently, a study on partnership in poverty reduction in Tanzania has come to the conclusion that "the social and ideological foundations of the PRSP are extremely narrow, representing the views of a small, homogenous 'iron triangle' of transnational professionals based in key government ministries and donor agencies in Tanzania. The content and process of the PRSP thus reflects a depoliticised mode of technocratic governance. In its substance, the PRS represents a limited and shortsighted approach to Tanzania's development options that replicates the neo-liberal conditionalities of earlier structural adjustment policy"(Jeremy Gould and Julia Ojanen, quoted in Osodo, 2003).

## 6. Conclusion

One of the aims for the struggle for political independence was public consultation and participation in policy processes. What is Africa's record? Does Africa provide space for people's participation in the development effort? NEPAD asserts its exceptionality that a new political will exists in Africa to adopt political and economic reforms, the creation of the African Peer Review Mechanism, for example, to monitor their implementation, and the sustained interest by the rich countries particularly the G8. The history of past partnership attempts in development shows that there are strong factors that may undermine the credibility of economic reforms such as the domestic constituencies have the potential to discourage compliance with pledges made for development assistance.

According to NEPAD, Africa must be prepared to embark on colossal investments. Without these, NEPAD's dream will remain merely metaphorical. But where are these investments going to come from? In the entire NEPAD text, this is the most vital question: Where is the money going to come from to get Africa out of its present state of underdevelopment and marginalisation? The real challenge is to find ways to finance the new vision. The point to start is not more integration of Africa's economy into the process of globalisation that NEPAD suggests. Africa is already more fully integrated into the global economy.

Perhaps NEPAD should not be deserted wholesome. On the contrary, the aim of engaging NEPAD should not be restricted to sheer criticism but the opportunity should be seized to advance alternative perspectives of development based on the needs of Africa's population. This approach should therefore be participatory with space for citizen expression and participation.

While many of its stated goals may be well intentioned, the development vision and economic measures that it canvases for are flawed. As a result, NEPAD will not contribute to addressing the developmental problems already mentioned. Instead, it will reinforce the unsympathetic external environment and the internal weaknesses that comprise the major obstacles to Africa's development. At the local, national and regional levels, development policy must promote agriculture, industry, services including health and public education, and must be protected and supported through appropriate trade, investment and macro-economic policy measures.

As part of the effort to domesticate NEPAD, a strategy for financing must seek to mobilize and build on internal and intra-African resources through imaginative savings measures; reallocation of expenditure away from wasteful items including excessive military expenditure, corruption and mismanagement; creative use of remittances of Africans living abroad; corporate taxation; retention and re-investment of foreign profits; and the prevention of capital flight, and the leakage of resources through practices of tax evasion practiced by foreign investors and local elites. While foreign investment is necessary, it must be carefully balanced and selected to suit national objectives.

Above all, these measures require the reconstitution of the developmental state: a state for which social equity, social inclusion, national unity and respect for human rights form the basis of economic policy. A state which actively promotes, and nurtures the productive sectors of the economy; actively engages appropriately in the equitable and balanced allocation and distribution of resources among sectors and people; and most importantly, a state that is democratic and which integrates people's control over decision making at all levels in the management, equitable use and distribution of social resources.

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