

## DECLARATION ON AFRICA'S DEVELOPMENT CHALLENGES

*(Adopted at end of Joint CODESRIA- TWN-AFRICA Conference on Africa's Development Challenges in the Millennium, Accra 23-26 April, 2002)*

1. From the 23 to 26 April, 2002, we, African scholars and activist intellectuals working in academic institutions, civil society organisations and policy institutions from 20 countries in Africa, as well as colleagues and friends from Asia, Europe, North America and South America met at a conference jointly organised by the Council for Development and Social Science Research in Africa (CODESRIA) and the Third World Network-Africa (TWN-Africa) to deliberate on Africa's developmental challenges in the new millennium.
2. Our deliberations covered such issues as Africa's initiatives for addressing development; Africa and the world trading system; mobilising financing for development in Africa; citizenship, democracy and development; education, health social services and development, and gender equity and equality in development.

### *Challenges to the space of Africa's own thinking on development*

3. In our deliberations, we recalled the series of initiatives by Africans themselves aimed at addressing the developmental challenges of Africa, in particular the Lagos Plan of Action and the companion African Alternative Framework for Structural Adjustment. Each time, these initiatives were counteracted and ultimately undermined by policy frameworks developed from outside the continent and imposed on *African* countries. Over the past decades, a false consensus has been generated around the neo-liberal paradigm promoted through the Bretton Woods Institutions and the World Trade Organisation. This stands to crowd out the rich tradition of Africa's own alternative thinking on development. It is in this context that the proclaimed African initiative, the New Partnership for Africa's Development (NEPAD), which was developed in the same period as the United Nations Economic Commission for Africa's *Compact for African Recovery*, as well as the World Bank's *Can Africa Claim the 21<sup>st</sup> Century?*, were discussed.
4. The meeting noted the uneven progress of democratisation and in particular of the expansion of space for citizen expression and participation. It also acknowledged the contribution of citizen's struggles and activism to this expansion of the political space, and for putting critical issues of development on the public agenda

### *External and internal obstacles to Africa's economic development*

5. The meeting noted that the challenges confronting Africa's development come from two inter-related sources: (a) constraints imposed by the hostile international economic and political order within which our economies operate; and (b) domestic weaknesses deriving from socio-economic and political structures and neo-liberal structural adjustment policies.
6. The main elements of the hostile global order include, first, the fact that African economies are integrated into the global economy as exporters of primary commodities and importers of manufactured products, leading to terms of trade losses. Reinforcing

this, secondly, have been the policies of liberalisation, privatisation and deregulation as well as an unsound package of macro-economic policies imposed through structural adjustment conditionality by the World Bank and the IMF. These have now been institutionalised within the WTO through rules, agreements and procedures, which are biased against our countries. Finally, the just mentioned external and internal policies and structures have combined to generate unsustainable and unjustifiable debt burden which has crippled Africa's economies and undermined the capacity of Africa's ownership of strategies for development .

7. The external difficulties have exacerbated the internal structural imbalances of our economies, and, together with neo-liberal structural adjustment policies, inequitable socio-economic and political structures, have led to the disintegration of our economies and increased social and gender inequity. In particular, our manufacturing industries have been destroyed; agricultural production (for food and other domestic needs) is in crisis; public services have been severely weakened; and the capacity of states and governments in Africa to make and implement policies in support of balanced and equitable national development emasculated. The costs associated with these have fallen disproportionately on marginalized and subordinated groups of our societies, including workers, peasants, small producers. The impact has been excessively severe on women and children.
8. Indeed, the developments noted above have reversed policies and programmes and have dismantled institutions in place since independence to create and expand integrated production across and between our economies in agriculture, industry, commerce, finance, and social services. These were programmes and institutions which have, in spite of their limitations, sought to address the problems of weak internal markets and fragmented production structures as well as economic imbalances and social inequities within and between nations inherited from colonialism, and to redress the inappropriate integration of our economies in the global order. The associated social and economic gains, generated over this period have been destroyed.
9. The above informed our reflections on the NEPAD. We concluded that, while many of its stated goals may be well-intentioned, the development vision and economic measures that it canvases for the realisation of these goals are flawed. As a result, NEPAD will not contribute to addressing the developmental problems mentioned above. On the contrary, it will reinforce the hostile external environment and the internal weaknesses that constitute the major obstacles to Africa's development. Indeed, in certain areas like debt, NEPAD steps back from international goals that have been won through global mobilisation and struggle.
10. The most fundamental flaws of NEPAD, which reproduce the central elements of the World Bank's *Can Africa Claim the 21<sup>st</sup> Century* and the ECA's *Compact for African Recovery*, include:
  - (a) the neo-liberal economic policy framework at the heart of the plan, and which repeats the structural adjustment policy packages of the preceding two decades and over-looks the disastrous effects of those policies;

(b) the fact that in spite of its proclaimed recognition of the central role of the African people to the plan, the African people have not played any part in the conception, design and formulation of the NEPAD;

(c) notwithstanding its stated concerns for social and gender equity, it adopts the social and economic measures that have contributed to the marginalisation of women

(d) that in spite of claims of African origins, its main targets are foreign donors, particularly in the G8

(e) its vision of democracy is defined by the needs of creating a functional market;

(f) it under-emphasises the external conditions fundamental to Africa's developmental crisis, and thereby does not promote any meaningful measure to manage and restrict the effects of this environment on Africa development efforts. On the contrary, the engagement that it seeks with institutions and processes like the World Bank, the IMF, the WTO, the United States Africa Growth and Opportunity Act, the Cotonou Agreement, will further lock Africa's economies disadvantageously into this environment;

(g) the means for mobilisation of resources will further the disintegration of African economies that we have witnessed at the hands of structural adjustment and WTO rules;

### ***Call for Action***

11. To address the developmental problems and challenges identified above, we call for action at the national, continental and international levels to implement the measures described below.
12. In relation to the external environment, action must be taken towards stabilisation of commodity prices; reform of the international financial system (to prevent debt, exchange rate instability and capital flow volatility) as well as of the World Bank and the IMF; an end to IMF/World Bank structural adjustment programmes; and fundamental changes to the existing agreements of the WTO regime, as well as stop the attempts to expand the scope to this regime to new areas including investment, competition and government procurement. Most pressing of all, Africa's debt must be cancelled.
13. 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. A strategy for financing must seek to mobilise 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 practised by foreign investors and local elites.

Foreign investment while necessary, must be carefully balanced and selected to suit national objectives.

14. 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.

### *The Challenge for African scholars and activist intellectuals*

15. Recognising that, by raising anew the question of Africa's development as an Africa-wide concern, NEPAD has brought to the fore the question of Africa's autonomous initiatives for development, we will engage with the issues raised in NEPAD as part of our efforts to contribute to the debate and discussions on African development.
16. In support of our broader commitment to contribute to addressing Africa's development challenges, we undertake to work both collectively and individually, in line with our capacities, skills and institutional location, to promote a renewed continent-wide engagement on Africa's own development initiatives. To this end, we shall deploy our research, training and advocacy skills and capacities to contribute to the generation and dissemination of knowledge of the issues at stake; engage with and participate in the mobilisation of social groups around their interests and appropriate strategies of development; and engage with governments and policy institutions at local, national, regional and continental levels. We shall continue our collaboration with our colleagues in the global movement.
17. Furthermore, we call,
  - (a) for the reassertion of the primacy of the question and paradigm of national and regional development on the agenda of social discourse and intellectual engagement and advocacy;;
  - (b) on Africa's scholars and activist intellectuals within African and in the Diaspora, to join forces with social groups whose interests and needs are central to the development of Africa;
  - (c) African scholars and activist intellectuals and organisations to direct their research and advocacy to some of the pressing questions that confront African policy and decision making at international levels (in particular negotiations in the WTO and under the Cotonou agreement), and domestically and regionally;
  - (d) upon our colleagues in the global movement, to strengthen our common struggles, in solidarity. We ask our colleagues in the North to intervene with their governments on behalf of our struggles, and our colleagues in the South to strengthen South-South co-operation.

18. We pledge ourselves to carry forward the positions and conclusions of this conference. And we encourage CODESRIA and TWN-Africa to explore, together with other interested parties, mechanisms and processes for follow-up to the deliberations and conclusions of this conference.

*Accra, April 26, 2002.*