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EXAMINING THE RELATIONSHIP BETWEEN GOOD GOVERNANCE AND DEVELOPMENT: THE CASE OF THE AFRICAN PEER REVIEW MECHANISM (APRM)



A research report submitted to the Faculty of Humanities, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master Arts in International Relations

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July 2013

DECLARATION

I declare that the thesis, which I hereby submit for the Degree of Masters in International Relations at the University of the Witwatersrand, Johannesburg is my own work and has not previously been submitted by me for a degree at this or any other tertiary institution.

Nyiko Janet Khoza

30th day of July, 2013

ABSTRACT

The African Peer Review Mechanism (APRM) was established on 9 March 2003 by the NEPAD Heads of State and Government Implementation Committee (HSGIC) as an innovative instrument to improve governance in Africa. The APRM is a voluntary mechanism which enables African leaders to periodically monitor and review each other's governance performance thus promoting peer-dialogue and peer-learning. The rationale behind the establishment of the APRM is the realization that socio-economic development and good governance are inextricably linked. Furthermore, for NEPAD to achieve its goal of placing African countries on a path of sustainable growth and development, it is imperative to ensure that an environment of good political and economic governance is created. In 2013, the APRM will mark ten years since its inception. This significant milestone provides scholars interested in governance and development issues on the continent with an opportunity to assess the gains (successes) which have been registered and the weaknesses regarding the implementation of this innovative African initiative. It is against this backdrop that this study undertakes to perform a retrospective analysis of the APRM since its inception in 2003. The study identifies as assesses the achievements and challenges of the APRM over the decade (2003-2013) as well as provides recommendations aimed at overcoming the challenges, strengthening the Mechanism as well as positioning it to effectively and efficiently carry out its mandate. The study establishes that there exists a positive correlation between good governance and development. The study further illustrates that the APRM has achieved much in its relatively short time of existence. Lessons have been learnt. However, as is the case with any new initiative, the Mechanism has experienced some teething problems (challenges) that ought to be addressed if the APRM is to effectively deliver on its mandate and improve the quality of governance across African countries. In essence, the APRM have proven itself to be a tool that holds immense potential for improving governance on the African continent.

Keywords: good governance, peer-review, peer-learning, peer-sharing, socio-economic development

DEDICATION

To Africa and her Peoples

We have already begun to extricate our beloved continent from the ties of extreme underdevelopment and placing her on a path towards sustainable socio-economic development.

Let us continue to do so with renewed boldness and vigour from whichever corner of the Continent we find ourselves.

Let us, the current generation of young Africans courageously take up the baton from our former heroic Pan-African leaders and

Continue being active agents in Africa's renewal so as to create a better, prosperous, peaceful and democratic Africa for generations to come.

And

To James Magondzweni Khoza, my father

for the Pan-Africanist that he is and for nurturing my own passion and interest in the advancement and development of Africa.

And

To Margaret Khoza, my mother

for always providing me with an audience to air my views on the state of Africa.

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ABBREVIATIONS AND ACRONYMS

APRM	African Peer Review Mechanism
APR FORUM	Committee of Participating Heads of State and Government of the APRM
APR PANEL	APRM Panel of Eminent Persons
APR SECRETRIAT	Secretariat of the APRM
APF	Africa Partnership Forum
AU	African Union
BWI	Bretton Woods Institutions
ECOSOCC	Economic, Social and Cultural Council
EU	European Union
HIPC	Highly Indebted Poor Countries
HSGIC	Heads of State and Government Implementation Committee of NEPAD
HSGOC	Heads of State and Government Orientation Committee of NEPAD
IFI	International Financial Institutions
IMF	International Monetary Fund
GDP	Gross Domestic Product
LPA	Lagos Plan of Action
MAP	Millennium Partnership for the African Recovery Programme
MDG	Millennium Development Goals
NEPAD	New Partnership for Africa's Development
NPoA	National Programme of Action
OAU	Organisation of African Unity
OECD	Organisation for Economic Cooperation and Development
OMEGA	OMEGA Plan for Africa
PAP	Pan-African Parliament

PRSP	Poverty Reduction Strategy Paper
REC	Regional Economic Community
SAPs	Structural Adjustment Policy
UNECA	United Nations Economic Commission for Africa
UNDP	United Nations Development Programme
WB	World Bank

CHAPTER 1

INTRODUCTION

Overview

Governance and development are two key concepts which became popular in the international development discourse from the late 1980s and early 1990s. Like development, the term governance became attractive because as Rene Kemp writes, it "encompassed a broad set of factors that were increasingly important and insufficiently recognised in conventional thinking and because it encouraged a more integrated understanding of how these factors were, or should be linked".[1]

To trace the trajectory of the relationship or linkage between governance and development in contemporary times, two significant developments (which could be argued emerged from the neoliberal philosophy) which had undertones of good governance and the free market can be identified. The first being the 1996 Seminal Address by James Wolfenson, the former President of the World Bank at the Annual Meeting of the World Bank (WB) and the International Monetary Fund (IMF). In that address, two main issues, namely; good governance and tackling corruption were identified as critical in the endeavour to create a conducive environment for development.[2]

The second development in efforts to place governance issues at the core of the development discourse occurred in the year 2000, with the adoption of the United Nations Millennium Development Goals (MDG). The 192 world leaders who committed their countries to the MDGs also stressed the importance of good governance by incorporating it into the eight of its goals.[3] In an article featured in the journal *World Economics* in 2009, Michal Chibba stated that this form

[1] Kemp R, 'Governance for sustainable development: moving from theory to practice'. *International Journal of Sustainable* Development, vol.8, No.1/2, 2005, p. 17

[2]World Bank , People and Development. Address by James D. Wolfenson, President of the World Bank, at the Annual Meeting of the World Bank and the International Monetary Fund, 1 October 1996

[3]Bloom D, Steven D & Weston M, 'Governance Matters, the Role of governance in Asian economic development' *World Economics*, vol. 5, No. 4, October-December 2004, p. 53

of consensus on a global scale "provided a major boost to governance as a central aspect of development."[4]

As a result of these developments, both multilateral and bilateral development institutions and governments have come to realise that good governance and development are linked and have further embraced "governance matters as a key policy and strategic thrust".[5]

Purpose of the Study

There is consensus amongst development practitioners, social scientists, academics and policy makers that there exists a positive correlation between good governance and development. African leaders have also recognised the need to improve governance on the continent in the interest of creating a conducive environment for development. As a result, and as part of the broader institutional reform at the continental level which culminated in the transformation of the Organization of African Unity (OAU) to the African Union (AU) in the year 2000, a New Partnership for African Development (NEPAD) has emerged as a mechanism for promoting the twin goals of good governance and economic development within the continent. Embedded in the NEPAD framework is the African Peer Review Mechanism (APRM) which enables African leaders to periodically monitor and review each other's governance performance.

However, it is surprising that not all AU Member States have chosen to accede to the APRM, despite the developmental advantages associated with it. As of January 2013 there are thirty-three (33) countries which have acceded and twenty-one (21) which have not.[6]

In 2013, the APRM will mark ten years since its inception in 2003. This significant milestone provides scholars interested in governance and development issues on the continent with an opportunity to assess the gains (successes) which have been registered and the weaknesses regarding the implementation of this innovative African initiative. Furthermore, this ten year milestone provides an opportunity to explore the extent of the impact (if any) which the APRM has had on the governance quality of those countries which have undergone the entire review

[4] Chibba Michael, 'Governance and Development, the current role of theory, policy and practice', *World Economics*, vol.10, No. 2, April-June 2009, p. 53
[5] ibid., p. 53
[6] Communiqué issued at the end of the eighteenth Summit of the Committee of Participating Heads of State and Government of the African Peer Review Mechanism, 26 January 2013.

process (including having submitted progress reports on the implementation of the various National Programmes of Action) as well as whether the Mechanism has improved the image of the continent in terms of governance matters and whether this may have led to improvements (development) in those areas which the APRM focuses on. Lastly, an opportunity is also presented to provide recommendations (based on the weaknesses) on how the Mechanism can be further strengthened.

Research Guiding Questions

In order to meet the above stated purpose (objective) of this research paper, the following questions will be posed:

Research Question 1: To what extent does the governance quality of a state impact on its decision on whether or not to accede to the APRM?

Research Question 2: Of those states that have undergone the entire APRM process, including the submission/presentation of progress reports on the implementation of the respective National Programmes of Action, have there been notable improvements in the areas of deficiency which were identified during the respective review processes?

Research Question 3: One of the aims of the APRM is the identification of best practices. The idea being that individual countries will identify best practices across the different thematic areas and these will be shared amongst participating countries, hence having a continent-wide positive impact on governance overall. The question therefore is: Has the sharing of best practices happened and if so, to what extent? The answer to this question will help to assess whether the APRM has had continent-wide impact.

Research Question 4: What have been the major achievements and weaknesses of the APRM in the past ten years and which areas of the mechanism could further be strengthened?

Methodology

In order to address the abovementioned research questions, the study will employ qualitative research methods as opposed to quantitative. As Earl Babbie points out:

> Qualitative researchers have always primarily been interested in describing the actions of the research participants in great detail, and then attempting to understand these actions in terms of the actors' own beliefs, history and context. Qualitative description however is vastly different from the kind of quantitative, statistical descriptions that are typical of experimental and survey studies. Instead of focusing on counting and quantifying patterns in behaviour, the emphasis in qualitative description is on 'thick description'. [7]

This qualitative research study will be conducted by reviewing and analysing secondary literature such as policy documents, newspaper articles, electronic media interviews, existing academic publications on the subject matter—books, journal articles, etc.

In-depth interviews will also be conducted with some members of the APRM Committee of Focal Points, who represent their countries at all APRM continental meetings. This will enable the researcher to gain valuable insight into some of the research questions.

Although it is possible to use quantitative methods to numerically measure improvements in governance, this method does not allow for a thorough, in-depth analysis of the impact that the APRM has had on the continent over the past ten years.

Limitations of the study

This study does not seek to explore in great detail the national implementation process of the APRM. This would be to a certain extent unworkable, as the space provided for the MA research report would not allow for a thorough examination of national implementation in all APRM participating countries. Also, conducting a thorough examination of the implementation of the APRM in a few (two or three) countries also would not adequately provide a comprehensive bird's eye view of the impact, achievements and weaknesses which have been registered in the ten years of the existence of the APRM.

Furthermore, it would be difficult to accurately measure or quantify the exact/precise impact that the APRM has had on the governance quality in individual states and the continent as a whole. Also, to only attribute any improvements in the governance quality of a state to the APRM would not be practical. The study therefore takes into account the principle of equifinality, that

[7] Babbie, E. *The Practice of Social Research*, 7th ed. Oxford University Press, New York: 1994, p. 272.

is, there can be more than one explanation for a particular outcome. In other words, it would be plausible that governance within a state (and the continent) could be improved by other factors other than the APRM.

In essence, this study relies on the already existing body of literature and studies which indicate that there is a positive correlation between good governance and development. This current study therefore does not seek to replicate such studies by conducting empirical quantitative research on the link between the two variables, but rather to use these studies as the basis upon which this current study is based. This study will thus, adopt a more manageable, practical and also necessary task of conducting a review of the APRM over the past ten years. As already stated, this review focuses on identifying the major achievements, weaknesses of the APRM as well as the areas of the mechanism that could be further strengthened.

Chapter Outline

The first chapter provides an introduction to this study, the four main questions that will guide this study as well as the limitations of this study. The chapter also details the methodology that was employed in the completion of this study. The Literature Review on the topic of Governance and Development will be found in the second chapter. The third chapter of this study reflects on Africa's political economy in the post-colonial era in an effort to bring to the fore some of the developmental and governance challenges facing the continent. The third chapter lays the foundation for the fourth chapter which focuses its discussions on the establishment of the African Union and NEPAD as new institutions that will assist the continent to effectively tackle contemporary development challenges, particularly those that relate to governance. The penultimate, fifth chapter, conducts a thorough analysis of the major achievements and weaknesses of the APRM in the past ten years (2003-2013) and presents the research findings in this regard. This chapter also presents recommendations aimed at improving the APRM's effectiveness and efficiency going forward. The sixth and final chapter summarises the findings of the study and identifies areas for future study.

CHAPTER 2

LITERATURE REVIEW: GOOD GOVERNANCE AND DEVELOPMENT

A substantial amount of literature emanating from researchers, practitioners, academics and other professionals has been generated on the subject of good governance and development.

This literature review will seek to firstly explore how international financial institutions such as the World Bank (WB), the International Monetary Fund (IMF), organisations such the Organisation for Economic Cooperation and Development (OECD), the United Nations Development Programme (UNDP), the United Nations Economic Commission for Africa (UNECA) have approached and defined the concept of good governance. The review will then focus on how African institutions/organisations, in particular the African Union (AU), and the New Partnership for Africa's Development (NEPAD) have approached and defined the concept of good governance. The study then will then briefly discuss the challenges associated with the measurement of good governance indicators. The review will also explore the various definitions of development.

Secondly, the review will then explore literature which speaks to the key theories of governance and development as well as the relationship between the two concepts. The strength of this relationship or correlation will also be assessed. Thirdly, the study will then focus on the good governance and development agenda as it relates to the continent of Africa. The role of the African Peer Review Mechanism (APRM) in positively impacting development on the continent will be covered as well as the possible reasons which may explain why some AU member states have opted not to accede to the Mechanism despite the associated advantages.

This review will conclude by identifying the areas on which previous research has been concentrated; identifying the gaps as well as areas where future research could be conducted.

The Definitions of Governance and Good Governance

There is general agreement across governance literature that there exist various definitions for the term 'governance' and as such there is no universally accepted definition. The term 'governance' is often accompanied by a qualification – it is either described as good, enhanced,

poor or bad. However, before the term can be qualified, it needs to be understood as a concept on its own.

Michael Chibba views governance as comprising of two overlapping dimensions. The first dimension "refers to all aspects of the way a nation is governed, including its institutions, policies, laws, regulations, processes and oversight mechanisms".[8] The second dimension is "its cultural and ideological setting".[9] The rationale for Chibba's second dimension is that the notion of governance exists not in a vacuum, but rather that it is shaped by the values, culture, traditions and ideology of certain societies.

Emome Eregha defines governance as "the total ability to organise, synthesise and direct the various actions of the working parts of a government's machinery in order for such a government to perform meaningfully, creditably and acceptably".[10]

The United Nations Development Programme (UNDP) defines governance as "the totality of the exercise of authority in the management of a country's affairs, comprising the complex mechanisms, processes and institutions through which citizens and groups articulate their legal rights and mediate their differences"[11]. The general idea behind this definition is that governance involves effective collaboration between the stakeholders in a state, including civil society and the private sector and based on this system of participation there would be a development dividend from governance.

The UNDP differentiates between different types of governance, namely; economic, political and administrative. Economic governance is defined as the "process of decision making which directly or indirectly affects a country's economic activities or its relationship with other economies".[12] Economic governance is primarily concerned with issues of equity, reducing poverty and financial management. Political governance refers to the "decision making and policy implementation"[13] function of a state and is concerned with issues such the separation of

[8] Chibba, op.cit., p. 79
[9] ibid., p. 79
[10] Eregha E, 'Democratic Governance and Development in Africa: Challenges of African Union', *Journal of Soc.Sci*, vol.14, No. 3, 2007
[11] Grindle M, 'Good Enough Governance Revisited', *Development Policy Review*, vol. 25, No. 5, 2007, p. 556
[12] ibid., p. 556
[13] ibid., p. 556

powers between the Executive, Judicial and Legislative arms of government, the rule of law as well as the supremacy of the Constitution.

The New Partnership for Africa's Development (NEPAD) also makes this distinction between political and economic governance. The NEPAD Declaration on Democracy, Political, Economic and Corporate Governance also includes a socio-economic development aspect and declares that good governance is one of the ways to eradicate poverty and foster development.[14]

In his paper titled *Good Governance for Africa* Julius Nyerere asserts that "governments bear the final responsibility for the state of the nation – its internal and external peace and the wellbeing of its people".[15] He makes the valid point that despite its "enforcement agencies; government is not the sole determinant of whether those responsibilities relating to the enhancement of governance are fulfilled".[16] This view echoes the sentiments advanced by the UNDP that there exist other elements within a state which can either serve the purpose of aiding or hindering the effectiveness of government and thereby any attempts at enhancing governance.

According to the United Nations Economic Commission for Africa (UNECA) governance entails the "existence of efficient and accountable institutions (political, judicial, administrative, economic, and corporate) and entrenched rules that promote development, protects human rights, respects the rule of law and ensures that people are free to participate in and be heard on decisions that affect their lives".[17]

The World Bank (WB) defines good governance as "inclusiveness and accountability established in three key areas: selection, accountability and replacement of authorities…efficiency of institutions, regulations, resource management, respect for institutions, laws and interactions among players in civil society, business and politics".[18] The International Monetary Fund (IMF)

[14]The New Partnership for Africa's Development Declaration on Democracy, Political, Economic and Corporate Governance
[15] Nyerere J, 'Good Governance for Africa', 13 October 1998, http://www.marxists.org/subject/africa/nyerere/198/10/13.htm.
[16] ibid
[17]Amoaka K, 'The UNECA and Good Governance in Africa', Presentation by Kempe Ronald Hope, Director: Development Management Division United NATIONS Economic Commission for Africa, 4-5 April 2003
[18] Grindle, op.cit. , p 556

defines good governance as "ensuring the rule of law, improving the efficiency and accountability of the public sector and tackling corruption".[19]

The OECD views good governance as the management of government in a manner that is essentially free of abuse and corruption, and with due regard for the rule of law; and is characterised by participation, transparency, accountability, rule of law, effectiveness as well as equity.[20]

According to the UNDP, good governance is characterised by a participatory, transparent, effective and equitable framework which ensures that political, social and economic priorities are based on broad consensus in society and that the voices of the poorest and most vulnerable are heard in decision-making over the allocation of development resources.[21]

UNECA defines good governance as a condition whereby responsibility is discharged in an "effective, transparent and accountable manner, while bad governance is associated with maladministration in the discharge of responsibility".[22]

The AU places great emphasis on good governance as a means to eradicate poverty, foster socio-economic development and place African countries "individually and collectively on a path of sustainable growth and development".[23] The NEPAD Framework differentiates between political, economic and corporate governance. Good political governance is defined by the AU/NEPAD as the adherence to the rule of law, the existence of individual and collective freedoms, equality of opportunity for all, the right of the individual to participate by means of free, credible and democratic political processes in periodically electing their leaders for a fixed term of office and adherence to the separation of powers. Good economic governance is taken as the existence of transparent, predictable state economic policies; the promotion of sound public finance management and the promotion of macroeconomic policies that support sustainable

[19] ibid., p. 556
[20] http://stats.oecd.org/glossary/detail.asp?ID=7237, OECD, Glossary of Statistical Terms
[21] ibid
[22] UNECA, op.cit. p. 3
[23] The New Partnership for Africa's Development Declaration on Democracy, Political, Economic and Corporate Governance, 2002

development. Good corporate governance is viewed as the provision of an enabling environment and effective regulatory framework for economic activities.[24]

Although definitions for the term 'good governance' are inexhaustible, the sample definitions used above reveal that there are threads of common aspects which can be found in most, if not all, literature on the subject. Such common aspects include, but are not limited to, the presence of accountable, efficient institutions (political, judicial, administrative, economic and corporate), participation of all stakeholders, entrenched rules that promote development, protect human rights and respect for the rule of law.

Kofi Annan, the former Secretary-General of the United Nations, while addressing a UNDP conference on "Governance for Sustainable Growth and Equity" made a significant point about good governance. According to him, good governance "cannot be imposed, either by national authorities or by international agencies. It cannot be created overnight, nor can it take root in one day. Good governance is an accomplishment. It is the fruit of true dedication, selfless leadership and a politics of integrity".[25]

The Measurement of Good Governance Indicators

Beyond the concerns and debates over the multiple definitions which exist for governance, there exists another debate about the measurement and indicators of good governance. In addressing this, Grindle states that "such debates are important because they are predicated on questions about how characteristics such as the rule of law, transparency or accountability can be operationalised and compared across or within countries at different moments in time that are verifiable". [26]

Some researchers have contested that good governance indicators are costly to calculate and are at times lacking in proper methodology.[27] While other observers such as Jan Jabes, a former Governance Division Director of the Asian Development Bank have made the observation that

[24] ibid
[25] United Nations Development Programme (UNDP). Address by Kofi Annan at the International Conference on Governance for Sustainable Growth and Equity, 28-30 July 1997, p. 125
[26] Grindle, op.cit., p. 555
[27] Chibba, op.cit., p. 89

the main drawback to governance indicators is that they become and end in themselves and that they offer very little in terms of practical utility to promote development.[28]

However, despite the debates and differences over the issue, researchers tend to be in agreement that inasmuch as the measurement of good governance is complex and problematic it is worth the attempt to embark on such work so as to shed light on the issue and to set the foundation for cross-national and longitudinal comparisons.[29]

The Definition of Development

Definitions of development are just as numerous and varied as those for governance and just as with the term 'governance' there is also little consensus about the definition of development and as such there exist a range of definitions.

The narrow definition of development is associated with economic growth, that is, an improvement in the macroeconomic indicators such as Gross Domestic Product or per capita incomes. Economic growth and development are not synonymous and as such should not be treated as one concept, in addition the former is a necessary but not sufficient condition to realise the latter. The concept of development should be broadened to not only include macroeconomic variables but to also include a qualitative improvement in the lives of a people or a political community. Therefore, development should also focus on issues pertaining to social welfare, equity and justice.

Economist, Amartya Sen makes the point that economic growth is but one aspect of the process of economic development.[30] Sen views economic growth and the expansion of goods and services are necessary for human development but he was adamant that wealth should not be the end goal – but it should be considered as a means to an end. In his view, wealth is useful for achieving other objectives.[31]

[28]Jabes J. The (f)utility of governance indicators: lessons from countries in transition, Speech given as part of the 'Assessing Good Governance' panel at the International Institute of Administrative Sciences, Second Specialised International Conference, New Delhi, November 2002
[29]Grindle, op.cit., p. 555
[30]Sen A, 1983. Development: which way now? *Economic Journal*, Vol. 93, Iss. 372, pp 745-762
[31]Sabrina Alkire, Why the Capability Approach? *Journal of Human Development*, Vol. 6 No. 1, March 2005, p. 115

In *Development as Freedom*, Sen organises his argument on how to understand and address issues such as poverty, famine, unemployment, population growth around a "particular philosophical position, which is that the aim of development is to expand human freedom".[32] Linked to human freedom, Sen introduces the concepts of 'capabilities' and 'functionings'. The concept of 'functionings' reflects the "various things a person may value doing or being. The valued 'functionings' may vary from elementary ones, such as being adequately nourished and being free from avoidable disease, to very complex activities or personal states, such as being able to take part in the life of the community and having self-respect".[33] The 'capabilities' of a person refer to the alternative combinations of 'functionings' that are all possible for that person to achieve. 'Capabilities' can thus be described as freedoms which enable people to achieve 'functioning' combinations.[34]

Some economists may differ with some of Sen's perspectives on development, but the general lesson which can be learnt is that one should avoid the narrow interpretation of development in debates about development issues. This approach or wide interpretation of development finds resonance with the kind of development which is envisaged by NEPAD and by extension the APRM. The four thematic areas of the APRM (Democracy and Political Governance, Economic Governance and Management, Corporate Governance and Socio-Economic Development) seek to make impact across a wide range of development spheres/areas.

According to the UNDP, "the central purpose of development should be the creation of an enabling and empowering environment in which all individuals including the poor and vulnerable can enjoy healthy and creative lives".[35]

Other sources define development as "an economic component dealing with the creation of wealth and improved conditions of material life, equitably distributed",[36] whilst others such as D.

[32] Tungodden, 'A Balanced View of Development as Freedom' *Chr. Michelsoen Institute Working Paper 14,* July 2001, p. 1
[33] ibid.,p. 5
[34] ibid.,p.5
[35] UNDP, The African Governance Forum: Conceptual Framework, UNDP, not dated, p.8
[36] Turner M & Hulme D, *Governance, Administration and Development: Making the State Work*, Palgrave Macmillan, London, 1997

Goulet conceive of development as "a social ingredient measured as well-being in health education, housing and employment.[37]

From the sample of definitions provided above, it suffices to conclude that development therefore, refers to sustained, concerted actions of policy makers that promote the standard of living and the economic health of a specific area/state. It would be accurate to assert that development which only focuses on the improvement of macroeconomic indicators and the growth of an economy should be considered incomplete and insufficient. Development ought to also address issues of human well-being. The key focus areas of economic development should include, but not limited to, the development of human capital, critical infrastructure, social inclusion, health and literacy within a society/state.

Theories of Governance and Development

There are a number of theories relating to the linkages between governance and development emanating from the various disciplines in the social sciences. For the purpose of this study, the following two main schools of economic thought on the role of governance on development will be explored: (i) the successful society and (ii) the governance for growth school.

The first school of thought postulates that there are certain features and characteristics that make a 'successful society' and further states that there are "key aspects of governance in developed countries which should be mimicked, emulated or adapted by developing countries" [38] in order to create a successful society and to develop. David Bloom *et al* assert that the society which is deemed successful possess the following characteristics in terms of good governance and exemplary economic development: competitiveness; strong, accountable and rules based institutions and social capital. Further, these characteristics require three conditions which will ensure that good governance translates into economic development. These conditions are: a clear articulation of the roles of institutions and other stakeholders; responsiveness of governance arrangements to existing conditions coupled with the adaptability to change and a consistent focus on the public interest.[39]

[37]Goulet D, 'Development: Creator and Destroyer of Values', *World Development*, Vol. 20 Iss. 3, 1992, p. 467
[38] Chibba, op.cit. , p. 80
[39]Bloom, op.cit. , p. 53

The second school of thought is based on research which revealed that countries with good governance register higher rates of economic growth as opposed to those with poor governance.[40] This view seems to conceive of development in purely economic terms (income per capita increases) and neglects the socio-economic aspect; unless it is implied that pure economic development shall inevitably lead to socio-economic development.

Linking Governance with Development

In the article *Is Governance Reform a Catalyst for Development* (2007), Arthur Goldsmith writes that development literature and development agencies are of the view that developing countries can significantly improve rates of economic growth by introducing good governance measures. He however contends that "a close analysis of specific governance reforms and economic turning points in the United States (while it was still classified as a developing country), Argentina, Mauritius and Jamaica suggests that the agencies underestimate the time and political effort required to change governance and overestimate the economic impact".[41] Although Goldsmith does not deny the link between good governance and development, he is not very optimistic about it and prefers to take a cautious approach on the real and measurable impact that good governance has on development.

Conversely, Kofi Annan, while addressing the first Global Conference on Governance held at the United Nations, unequivocally stated that "good governance and sustainable development are indivisible".[42] Furthermore, Kempe Ronald Hope posits that good governance has been demonstrated to be "positively correlated with the achievement of better growth rates particularly through the building of institutions which support markets".[43]

Good governance is not an end in itself, but it is rather a means to an end in that it has a developmental spin-off. The pertinent issue however, is how good governance serves as the crucial link to development. K.Y Amaoka, a former Executive Secretary of the United Nations Economic Commission for Africa (UNECA), writing on the challenges to governance and participatory development in Africa outlined five basic elements that may serve as prerequisites

[40] Chibba, op.cit., p 83
[41] Goldsmith A, 'Is Governance Reform a Catalyst for Development?', *An International Journal of Policy, Administration and Institutions,* Vol. 20, No. 2, April 2007, p. 165
[42] Annan K, op.cit., p.124
[43] UNECA, op.cit., p. 3

for good governance to provide the connective thread to sustainable development, particularly in Africa.

The first element is the issue of institutionalising mechanisms for conflict prevention and peace building in Africa.[44] The rationale is that good governance and development cannot take place in an atmosphere of chaos and anarchy. Furthermore, conflicts and wars on the continent have been a major bottleneck to political progress and economic development.

The second element is that good governance must incorporate democratic practices such as full citizen participation in government, fair grounded rules for competition and the establishment of the rule of law. The third factor is the involvement of civil society in the political and social processes of government. The fourth element is the issue of improving state capacity to enable it to deliver public services to its people. The fifth factor is about mainstreaming women into the processes of governance and development.[45] The rationale is that "apart from the demographic strength of women in terms of their size in the population of many African countries, they are primary actors in production processes, especially in the rural communities".[46]

Joachim Ahrens, author of *Governance and Economic Development* states that the ultimate success of an economy on bridging the divide between its actual and potential rate of development "critically depends on the political leadership's commitment and ability to implement and enforce appropriate policies".[47] In essence, the quality of governance within a state is pivotal in order to set the foundation from which sustainable development can occur. Ahrens is a firm believer that the quality of a country's governance structure is a key determinant of its ability to pursue sustainable economic and social development.

The thematic paper titled *Governance in Africa's Development: Progress, Prospects and Challenges,* prepared for the 9th Africa Partnership Forum (APF) held in Algiers, Algeria in 2007 indicates that there is indeed a positive correlation between governance and development. The paper continues to state that good governance is pivotal for improved socio-economic

[44]United Nations Development Programme (UNDP). Address by K.Y. Amoaka at the International Conference on Governance for Sustainable Growth and Equity, 28-30 July 1997, p 143
[45] ibid., p. 143
[46] ibid., p. 143
[47] Ahrens J, *Governance and Economic Development*, Edward Elgar Publishing Limited, USA, 2002, p. 117

performance and it is positively associated with improved investments and growth.[48] Furthermore, "better governance is positively associated with improved investments and growth, government effectiveness and efficient bureaucracy and the rule of law are associated with better economic performance and adult literacy".[49]

Grindle writes that "development researchers remain far from a consensus on the relationship between development and good governance",[50] however, World Bank indicators together with the Mo Ibrahim Indicator of Human Development illuminates the complex relationship between governance and development in general and particularly in the African context.[51]

What is important to note is that governance is contextual and that while it is possible to identify concepts of governance which are universal, these concepts need to be understood with adequate contextual reference. James Gustave Speth of the UNDP in his address at the International Conference on Governance for Sustainable Growth and Equity held in 1997 captures succinctly, that governance cannot be a standard prescription for all countries. Rather, countries should determine their own "home-grown varieties of good governance: varieties which take into consideration historical experience, build on indigenous systems, cultures and values and reflect everyday realities".[52]

The Good Governance and Development Agenda in Africa

John Akopari argues that good governance has been elusive in much of Africa and that the failure of the Organisation for African Unity (OAU) to adequately and effectively address Africa's developmental challenges, including the crisis of governance, led to its failure. However, in efforts to remedy the situation and to promote good governance, the successor organisation, the African Union (AU) and its development programme, NEPAD were established. Akokpari, further contends that in spite of the expectations and euphoria generated by NEPAD and the African Peer Review Mechanism (APRM), these projects possess a truncated

[48] Author Unknown, *Governance in Africa's Development: Progress, Prospects and Challenges*, The 9th Africa Partnership Forum, 12-13 November, Algiers, Algeria 2007
[49] ibid
[50] Grindle, op.cit., p.571
[51] ibid., p.571
[52] UNDP, op.cit., p. 127

capacity to lead to good governance.[53] His lack of confidence in NEPAD and the APRM is due to an amalgamation of factors such as the vulnerability of the initiatives to manipulation by African leaders, the prevalence of neo-patrimonial politics in Africa and the confusing relations between NEPAD and the AU.[54]

In stark contrast, Kempe Ronald Hope is of the view that good governance is an ideal worth pursuing in Africa.[55] This is a view also put forth by the former President of South Africa, Thabo Mbeki, who has argued that Africa wishes to realise the goal of good governance in order to put an end to political and economic mismanagement of the continent, instability, denial of democracy, human rights, poverty as well as global marginalisation.[56]

The APF recognises that good governance (and democracy) are pivotal to the continent's search for social, political and economic renewal. As such African countries have made significant strides towards the attainment of good governance. For example, the adoption of the Constitutive Act of the AU in 2000, the launch of NEPAD in 2001 and the adoption of the African Peer Review Mechanism (APRM) in 2003 are noteworthy landmarks in the endeavour to develop common values and standards of good governance on the African continent.[57]

Governance lies at the core of the AU/NEPAD programme. It is one of the principles and conditions identified for sustainable development. Through NEPAD's Democracy and Political Governance Initiative, African leaders have committed themselves to creating and consolidating basic governance processes and practices, leading in supporting initiatives that foster good governance.

The African continent has experienced a history of bad governance which has had a negative impact on its development. However, through NEPAD, African leaders have recognised the salient importance of good governance for achieving sustainable development on the continent.[58]

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[53]Akokpari J, 'The AU, NEPAD and the Promotion of Good Governance in Africa', *Nordic Journal of African Studies*,Vol.13, No. 3. 2004, p. 1
[54]ibid., p. 1
[55]APF, op.cit., p. 5
[56] ibid p. 6
[57]APF, op.cit., p.5
[58]Author Unknown, *Governance in Africa's Development: Progress, Prospects and Challenges*, The 9th Africa Partnership Forum, 12-13 November, Algiers, Algeria 2007

The APRM, established in 2003, is a unique instrument voluntarily acceded to by Member States of the African Union (AU) as an African self-monitoring mechanism.

There are a number of peer review initiatives within international and regional organisations. Peer Reviews exist within organisations such as the European Union, United Nations Economic Programme (UNEP) and the IMF. One of the most prominent examples of state peer reviews is the review mechanism of the OECD, particularly its Development Assistance Committee (DAC). Reviews within the OECD are based on themes which focus on economic and social issues from macroeconomics, to trade, education science, innovation etc.[59] What distinguishes the APRM from the OECD peer reviews is that the APRM is a comprehensive peer review exercise which is not just aimed at one policy area but rather scrutinises the overall performance of a country.

The mandate of the APRM is to ensure that the policies and practices of participating countries conform to the agreed political, economic and corporate governance values, codes and standards contained in the Declaration on Democracy, Political, Economic and Corporate Governance. The primary purpose of the APRM is to foster the adoption of policies, standards and practices that lead to political stability, high economic growth and sustainable development. In essence, the APRM is a tool aimed at advancing good governance on the African continent. [60] To date thirty-three (33) out of fifty-four (54) AU Member States have voluntarily acceded to the APRM.[61]

[59]Grimm S & Nawrath K et al, *The African Peer Review Mechanism (APRM) AS A Tool to improve Governance? Experience in Ghana*, German Development Institute, Bon, 2009, p. 159
[60]APRM Base Document, 2003
[61]Communiqué issued at the end of the eighteenth Summit of the Committee of Participating Heads of State and Government of the APRM, 26 January 2013.

The table below provides the countries, by region, which have acceded to the APRM.

REGION	COUNTRY
Central Africa (5)	Cameroon, Gabon, Republic of Congo, Sao Tome and Principe, Chad
East Africa (6)	Djibouti, Ethiopia, Kenya, Rwanda, Tanzania, Uganda
North Africa (5)	Algeria, Egypt, Sudan, Mauritania, Tunisia
Southern Africa (7)	Angola, Lesotho, Malawi, Mauritius, Mozambique, South Africa, Zambia
West Africa (10)	Benin, Burkina Faso, Cape Verde, Ghana, Mali, Nigeria, Senegal, Sierra Leone, Togo, Niger,

Source: APRM Secretariat

Franci Nguedi Ikome writes that there are three elements which distinguish the APRM from previous African regional enforcement mechanisms which have not been complied with in the past and as a result have not been successfully implemented. The first element refers to the voluntary membership principle of the APRM. Membership to the Mechanism is dependent on a commitment to a set of governance norms and standards.[62] States aspiring to join the Mechanism have to be willing to commit to these standards before they can be granted membership. Ikome further points out the difference between the APRM and existing regional cooperation organisations is that membership of the latter is based on geographical location and is hence automatic.[63]

The second element refers to the 'non-adversarial and non-sanctioning' character of the Mechanism.[64] There are no punitive measures taken against states that will be found wanting in specific areas of governance after the conclusion of the review process. The third element is that the APRM is based on an "implicit penalty-reward assumption among African states and their extra-regional partners".[65] What Ikome is referring to here is that African leaders have agreed to hold each other accountable for the commitments made to uphold the norms of good governance

[62] Ikome F, *From the Lagos Plan of Action to the New Partnership for Africa's Development: The political economy of African regional initiatives*, Institute for Global Dialogue, Midrand, January 2007, pp 160-161
[63] ibid., pp 160 - 161
[64] ibid., pp 160-161
[65] ibid., p. 160

across all four thematic areas, in exchange for which "external partners have pledged to grant them higher resource flows in the form of Overseas Development Assistance (ODA) and greater market access".[66]

Despite the potential developmental advantages associated with the APRM, it is surprising that not all fifty-four AU member states have chosen to voluntarily accede to the Mechanism. Various reasons have been offered as to why this may be the case.

Grant Masterson argues that African countries are faced with a dilemma on whether or not to accede to the APRM. Countries are forced to weigh up the benefits and costs before committing themselves to the APRM process. Masterson writes further and states that a country which decides to voluntarily accede to the APRM may be motivated by the potential improved economic growth which would be stimulated by built-in improved governance quality and a boost in investor confidence as well as external elements such as donor aid and debt relief. On the other hand, a country may decide not to voluntarily accede to the APRM due to concerns over the intrusive nature of the review process. [67]

Masterson writes that in an endeavour to encourage countries to sign up to the APRM, its architects have made an attempt to connect future aid concessions to countries which accede to the Mechanism.[68] Nonetheless, economic incentives appear not to be the only motivating factor which would lead to an increase in the number of countries acceding to the APRM. Another motivating factor in encouraging a country to accede to the APRM could be diplomacy and bilateral relations (a country may wish to join the APRM as the majority of countries in its sub-region may have acceded).

Masterson also addresses the following question in his work: to what extent does the quality of political governance in a country influence its decision to join the APRM?[69] His interest lies in finding out if there exists a statistically significant relationship between those states that have acceded to the APRM and their existing governance quality.

[66] ibid., p. 160
[67] Masterson G, *Governance Quality and Government Commitment to the NEPAD African Peer Review Mechanism*, EISA, Johannesburg, 2004, p. 12
[68] ibid p. 12
[69] ibid. p. 14

He reaches the conclusion that although statistics suggest that "political and economic governance standards are relevant to a state's position on the APRM, a number of other trends emerge in motivating that position".[70] These trends include foreign influences, national interests as well as domestic objectives. Additionally, countries that have acceded to the APRM tend to possess slightly higher governance scores than those that have not, but this has not stopped countries with poor governance quality from acceding to the APRM, nor has it stopped other countries which exhibit excellent governance quality from opting not to accede to the Mechanism.[71]

Some countries may simply hold the view that the APRM is an unnecessary and perhaps even redundant and unnecessary tool. States which are considered to be relatively well governed such as Botswana and Namibia hold a great degree of cynicism towards the APRM. In 2003, the Prime Minister of Namibia described the APRM as a "digression which needed to be ignored" [72] when he declared:

> Let me now take up the much talked about, but manifestly deceptive, issue of NEPAD's so-called Peer Review Mechanism (PRM). Firstly, I shall, with due respect, consign to the dustbin of history as a sham. Secondly, PRM is an unworkable notion. I see it as a misleading, new name for the old, discredited structural adjustment fiasco, under which African leaders have been clustered between good guys and bad guys…Neo-colonialism, which is what the PRM is – a killer disease; we must run away from it. NEPAD should confine itself to issues of economic growth, investment, employment … NEPAD has no business dealing with political, security and conflict resolution issues.[73]

Namibia is not only relatively well-governed African state which holds the view that the APRM is not a useful tool (at least for *their* country). The government of Botswana also shares similar sentiments. In 2004, the Permanent Secretary for Development in Botswana, when asked to justify the country's decision not to subscribe to NEPAD's APRM provided the following reply:

> Many considerations are taken into account in Botswana joining any new initiative including the APRM. These include strategic considerations, added value of membership, feasibility of

[70] ibid. p. 75
[71] ibid. p. 76
[72] Ikome F, Op Cit, p. 162
[73] ibid., p. 162

> attaining the set objectives, long term sustainability, relationship with existing institutions to which Botswana belongs. It must also be borne in mind that even where the ideals may be good, it is sometimes necessary to test them against practical implementation and long term sustainability. Botswana fully transcribes to transparency and is open to review by any organisation…Botswana has absolutely no fear of being reviewed on any aspect of her governance.[74]

It is to be expected that of all fifty-four African states some may see the benefits and added value of the APRM while others may not. This divergence of opinion across African states should not discount its relevance in the continent's pursuit to improve governance in order to create better conditions for development.

Most literature recognises the APRM as a unique African innovation, which has the potential to transform the governance face of the continent. The literature also recognises that there may be significant factors which hinder more countries from acceding to the Mechanism. Despite this, countries which have already acceded should focus on fully implementing the APRM to ensure that the potential of the Mechanism to improve governance quality and hence lead to sustainable development is fully recognised.

Weaknesses in current literature on Good Governance, Development and the APRM

There are numerous studies on the relationship between governance and development. The definitions of good governance and sustainable development have been explored extensively by academics, economists and development practitioners. The relationship or correlation between good governance and sustainable development has also been thoroughly explored; and the current literature reflects that good governance is positively linked, in varying degrees, to sustainable development. Phrased differently, good governance creates prospects for a country to achieve sustainable development.

Furthermore, there exists consensus across the literature that Africa would benefit from improving its systems of governance; hence the effort of the AU and NEPAD in establishing the APRM as a unique initiative which seeks to improve governance in Africa is lauded.

[74] Response by the Permanent Secretary for Development in Lesotho to questions from the Press about the New Partnership for Africa's Development, 1 March 2004

Moving from the premise that good governance is linked to sustainable development and that the APRM was designed to foster and promote good governance it is surprising that twenty-one (21) AU Member States have opted out of joining the APRM. Deficiencies exist in the current literature in that most literature focuses on the benefits of good governance, its correlation to sustainable development as well as the benefits associated with acceding to the APRM. However, current literature does not pay much attention to the reasons associated with why some countries have opted to stay out of the APRM despite these benefits.

The current literature also does not focus enough on the extent to which the governance quality of a state informs its assessments of the costs and benefits of acceding to the APRM. In other words, current literature does not sufficiently explore whether there is a correlation between countries which have positive governance records and have joined the APRM; and those that have poor governance records and have not acceded to the APRM.

From the analysis of the available literature on governance, development and the APRM it is clear that there is the need to explore in detail, the reasons why some countries have not acceded to the APRM despite the associated benefits. Thus, this study is aimed at filling the void in the current literature on why some countries have acceded to the APRM. It also aims to explore the successes and challenges to the attainment of the APRM's stated objectives.

CHAPTER 3

OVERVIEW OF AFRICA'S POLITICAL ECONOMY IN THE POST COLONIAL ERA

Overview

The purpose of this chapter is to provide a critical overview of Africa's post-colonial political economy. A main focus of the chapter will be a discussion of the continent's development crisis in the 1970s; a decade or so after much of the continent had been decolonized. The following themes will constitute the chapter: the nature of Africa's post colonial development challenges, the formation of the Organization of African Unity (OAU) as an instrument for the advancement of African solidarity and the pursuit of socio-economic development, the descent of the continent into crisis and the competing ideological approaches to overcoming the crisis. The chapter will conclude with a discussion on the failure and implications thereof, of the Structural Adjustment Policies that were imposed on African countries by external economic and development actors as an attempt to 'rectify' individual African economies and placing the continent on a path towards development. As will be shown in the chapter however, the imposition of a set of policies also known as neo-liberal market-led reform policies did little to solve the continent's developmental problems. Thus, as the chapter will show, towards the end of the twentieth century, Africans began to agitate for a new development path or paradigm that was home-grown and would also result in some form of renewal, rebirth or what some have called, "African Renaissance".[75]

Africa's independence

While African states had began attaining their independence from the 1950s, this process only gained momentum in the 1960s and continued throughout the 1970s.[76] The attainment of political independence brought with it a promise of socio-economic development in Africa. With independence having been achieved on the political front, African states, individually and collectively began to focus their attention on the pursuit of economic development. There was a

[75] Mbeki, T, 'Prologue', in *African Renaissance'*, M. Makgoba (ed), Mafube Publishing, Cape Town, 1999, pp. xiii-xix.
[76] Twineyo-Kamugisha, E, *Why Africa Fails, the Case for Growth Before Democracy*, Tafelberg, Cape Town, 2012, p. 11.

high degree of euphoria on the part of Africa's nationalist leaders that a new dawn was on the horizon for Africa.[77]

At independence, even though former colonial officers and departing settlers held the common view that Africa's leaders would "make a mess of things"[78] they did acknowledge that African countries had the potential to develop. On the other hand, Africa's nationalist leaders and their western supporters were convinced that with independence, the continent would accelerate its economic growth rates thereby closing the gap between Africa and the industrialized world.[79] Before the economic performance of post-independent Africa can be assessed, it would be beneficial to first reflect on the economic impact of colonialism on the continent.

The Economic Legacy of Colonialism

In his book, *Development and Democracy in Africa* (1996), political scientist, Claude Ake examines some of the main features of the continent's post-colonial economies. He singles out the following characteristics: the disarticulation of Africa's economies, a narrow resource base and dependence.[80]

Jie Huang defines disarticulation as "uneven sectoral development within a country" [81] and identifies the phenomenon as one of the biggest stumbling blocks in the Third World's development process.[82] Disarticulation can also be explained in terms of "developmental activity and social amenities being concentrated in a few urban sectors".[83] Even though the recognition of the challenge existed in some countries, the efforts of post-colonial governments to change the status quo registered marginal results. At the time that political independence was achieved, the structure of the colonial economy had already been firmly established and as such could not be easily altered. In essence, post-colonial governments did not have the privilege or the luxury of fabricating an economy from the start; they had to work within the confines of what

[77] ibid., p.45
[78] Leys, C, 'Confronting the African Tragedy'. *New Left Review*, vol.1, no. 204, March-April 1994, p. 34
[79] ibid., p.34
[80] Ake, C, *Democracy and Development in Africa*, The Brookings Institution, Washington D.C., 1996, p. 89
[81] Huang, J, 'Structural Disarticulation and Third World Development'. *International Journal of Comparative Sociology*, vol. 36, no. 3-4, 1995, p. 1
[82] ibid., p.1
[83] Ake, op.cit., p. 89

was bequeathed upon them by the departing colonial administrations. [84] Ake makes the valid point that the fully established and matured economies inherited by the post-colonial order imposed a certain logic and rigidity on the course of future development.[85] Indeed, this logic was one that perpetuated the status quo and further entrenched the syndrome of disarticulation which resulted in uneven development within countries as development was centered in urban areas whilst the outlying peripheral areas (rural areas) fell by the wayside and to a large extent, remained underdeveloped.

Ake, amongst other scholars, [86] made the observation that there had been very little change in the resource base of post-colonial African economies. In the main, African economies were largely undiversified and relied on a few primary commodities for their foreign exchange earnings. These were usually commodities that had been the mainstay of the colonial economies.[87] The challenge of having undiversified economies with a narrow resource base is that it exposes countries and makes them vulnerable to terms of trade shocks. Furthermore, when activity in one dominant sector declines, it has a ripple effect throughout the economy and makes government revenues highly volatile. It has been established that broadly based economies, that are active in a wide range of sectors are better able to generate robust and sustainable growth.[88]

In development studies, dependency refers to a situation in which a particular region or country relies on another for support, survival or growth. Dependency theory holds that "the condition of underdevelopment is precisely the result of the incorporation of the Third World economies into the capitalist world system which is dominated by the West and North America".[89] The Dependency Theory emerged in the 1950s as a critique of Modernization and argues that imperialism, colonialism and neo-colonialism are responsible for the development of the First World at the expense of the Third World.[90] The theory assumes that there exists a capitalist

[84] ibid., p. 88
[85] ibid., p 89
[86] See: Joint Study by the United Nations Office of the Special Advisor on Africa and the NEPAD-OECD Africa Investment Initiative, Economic Diversification in Africa: A review of selected countries, 2009
[87] Ake, op.cit., p. 97
[88] Joint Study by the United Nations Office of the Special Advisor on Africa and the NEPAD-OECD Africa Investment Initiative, Economic Diversification in Africa: A review of selected countries, 2009, p. 15
[89]Randal, V & Theobld, R, Political Change and Underdevelopment: A Critical Introduction to Third World Politics, Macmillan Press: Houndsmill, Basingstoke, 2nd edition, 1998, p. 120
[90] Friedman, H & Wayne, J, 'Dependency Theory: A Critique'. *Canadian Journal of Sociology*, vol. 2, no. 4, 1977, pp 400-403

world system where countries fall into one of three categories: core, semi-periphery and periphery. Rich industrialized countries of the West comprise the core, newly industrialized countries (such as China, Singapore, Brazil) constitute the semi-periphery and countries at the periphery are largely primary producers of goods and whose annual growth rate is less that 5-7 percent. Generally, African countries make up the periphery.[91] Countries at the core thrive economically at the expense and exploitation of those at the periphery. Colonialism, by its very nature was a system whereby countries at the core subjugated and exploited those at the periphery for the advancement of their (the core) economic goals. The basis of Ake's argument, also found in the work of Todd Moss, was that the system of exploitation and dependency continued even after the attainment of independence for Africa.[92] Even though African countries had gained independence, politically, they were still economically tied to or dependent on their former colonial / imperial masters.

There were a range of other challenges which faced the newly independent countries, some of these as a direct result of colonialism and others as related factors that served to negatively affect development efforts in Africa. Firstly, the small size of the economies of some countries rendered them vulnerable to economic shocks and income volatility.[93] Secondly, many African states (even more so the smaller ones) suffered from institutional capacity constraints in the public and private sectors[94] and hence could not adequately sustain and support development efforts. Thirdly, some countries faced difficulties, in accessing external capital to support their development initiatives.[95] Access to global capital markets is imperative, particularly for small states as it assists to buffer adverse economic shocks as well as income volatility.

It was against the backdrop described above that Africa had to forge a way forward in terms of development. The above features created great challenges for Africa; however the continent marched forward in its attempts nonetheless.

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[91] ibid. pp 400-403
[92] Moss, T, *African Development, Making Sense of the Issues and Actors*, Lynne Rienner Publishers, London, 2011, p. 108
[93] ibid., pp 29-36
[94] ibid., pp 22-36
[95] ibid., pp 22-36

Regionalism: the formation of the Organisation of African Unity as Africa's answer to its challenges

The Lure of Regionalism

The establishment of the Organisation of African Unity (OAU) in May 1963 cannot be understood in a vacuum. It is important therefore, to take note of the events and developments that informed its establishment.

As has been pointed out, the economies of the newly independent African states suffered from a chronic syndrome of disarticulation and a number of other ailments. This is because, by design, African economies were better linked to the metropolitan economy than to each other and economic decisions were made on the behalf of African economies by the colonial powers.[96] Claude Ake, in *Development and Democracy,* noted that although most African states were comfortable with the idea of their development agenda being determined by external actors, they still worked together as a collective towards a vision of how to proceed and be less dependent on external actors.[97] The rationale was that such collective efforts would lay the foundation of a future African economic community or an African Union. As far back as the late 1950s and early 1960s regionalism was considered a viable option for Africa in order to address its challenges, as Africa's leaders were of the view that the continent stood a better chance united than divided.[98]

In this body of work, regionalism is conceived of as a "body of visions, values and concrete objectives that supervise the processes of interaction between states and markets aimed at providing and maintaining national and regional security".[99] The arguments for regional cooperation as advanced by Africa's political elites were sound. Firstly, it was believed that regionalism would place African states in a better position to manage and coordinate their relations with powerful external countries or blocs. Secondly, the post-Cold War environment, as noted by Anthoni Van Nieuwkerk, led to the emergence of a new type of regionalism that encompassed a multidimensional form of integration that included economic, political, social as

[96] Adejo, A, 'From OAU to AU: New Wine on Old Bottles'. *African Journal of International Affairs*, vol. 4, nos 1 & 2, 2001, p. 120
[97] Ake, op.cit., p. 89
[98] Adejo, op.cit. p. 121
[99] Boas, M, 'Regions and Rationalization: A Heretic's View' in Nordiska Afrikainstitutet, Regionalism and Regional Integration in Africa: A Debate of Current Aspects and Issues, Discussion Paper I, Uppsala, 2001, pp. 27-40

well as cultural aspects.[100] The first argument favoured the emergence of the OAU in 1963, through which African states came together and formed a united bloc from which to engage their counterparts in the global community of states. In contrast, the formation of the Africa Union in 2002 seems to be a combination of the two arguments advanced above in that, in addition to the creation of a 'solidarity bloc', the AU has as part of its objectives, promoted sustainable development at the economic, social and cultural levels.[101] (This element will be dealt with in greater detail in the chapter that follows).

Contending Approaches to Regionalism/Integration

Ghana, under the leadership of Kwame Nkrumah, was the first sub-Saharan African country to obtain independence in 1957.[102] Nkrumah had a firm conviction that national independence was not enough and was thus preoccupied with the notion of a united Africa-both politically and economically. As the leader of the first sub-Saharan country to gain independence, Nkrumah took it upon himself to lead the rest of the continent to independence as well as to create an appetite for continental unity.[103]

When this concept of African Unity was introduced to the continent there was general agreement that there was value in African unity. However, not all African countries agreed on the modus operandi of how this concept should be implemented. On 15 April 1958 Nkrumah convened the first Conference of Independent Africa States. In attendance were Ethiopia, Egypt, Ghana, Liberia, Libya, Morocco, Tunisia and Sudan. The aims of the conference were: to exchange views on matters of common interest; to explore ways and means of consolidating and safeguarding the independence of African states; to strengthen the economic and cultural ties between African countries; to decide on workable arrangements for helping fellow Africans still subject to colonial rule and to examine the central world problems of security and peace.[104] This Conference proved to be a historic event where independent African countries met together on the African continent in order to consider African issues. This event was also a landmark

[100]Van Niewkerk, A, 'Regionalism into Globalism? War into Peace? SADC and ECOWAS Compared', African Security Review, vol. 10, November 2, 2001, p.7
[101]African Union Constitutive Act, 2000
[102]Moss, op.cit., p. 27
[103] Olaosebikan, A , 'Kwame Nkrumah and the Proposed African Common Government', African Journal of Political Science and International Relations, vol. 5, no. 4, April 2011, p.219
[104] ibid., p. 220

occasion as it presented the first experiment in cooperation among all the independent eight states of the continent at the time. As one of the outcomes, this Conference, pledged to strengthen its solidarity with those countries still subject to colonial rule and also emphasized the need for the eradication of all forms of imperialism, colonialism and racial discrimination.[105]

In December 1958 another conference, under the same name, was convened at the insistence of Nkrumah. This conference brought together some sixty-five nationalist organizations from twenty-eight African countries.[106] The aim of this conference was to synchronize strategies for "nationalist agitations in Africa with the aim of achieving political independence for African states within the shortest period".[107] This conference reiterated its firm stance against colonialism and announced firmly that African independence was non-negotiable and that the struggle to achieve this aim would continue with renewed vigor. At this conference a declaration on colonialism and imperialism was also adopted and called "the independent African states to render maximum assistance by every means possible to the dependent peoples in their struggle".[108] The notion and pursuit of Pan-Africanism[109] was further entrenched at this gathering.[110]

In 1960, the Second Conference of Independent African States was held in Addis Ababa, Ethiopia. Although there was general agreement at this conference that African unity would be desirable, ideological differences began to emerge amongst the newly independent states. Initially, these states managed to cloak their disagreements regarding the best way to achieve continental unity.[111] However, this did not last very long and in the early 1960s the cracks began to show when several unrelated events led to the establishment of competing ideological alliances. Some of these developments included Nigeria's attainment of independence in October

[105]Adejo, op.cit., p. 128
[106]Houser, G, 'A Report on the All African People's Conference Held in Accra, Ghana, December 8-13, 1958'. American Committee on Africa, viewed on 9 February 2013, http://africanactivist.msu.edu/document_metadata.php?objectid=32-130-D84
[107] Olaosebikan, op.cit., p. 220
[108] Houser, G, 'A Report on the All African People's Conference Held in Accra, Ghana, December 8-13, 1958'. American Committee on Africa, viewed on 9 February 2013, http://africanactivist.msu.edu/document_metadata.php?objectid=32-130-D84
[109] Pan-Africanism is an ideology and movement that encourages the solidarity of Africans worldwide. It is based on the belief that unity is vital to economic, social and political progress and aims to unify and uplift people of Africa
[110] Houser, G, 'A Report on the All African People's Conference Held in Accra, Ghana, December 8-13, 1958'. American Committee on Africa, viewed on 9 February 2013, http://africanactivist.msu.edu/document_metadata.php?objectid=32-130-D84
[111]Olaosebikan, op.cit., p. 223

1960 and its challenge of Ghana's position of leadership in Africa, the independence of a number of francophone African states and their support for Western policies and close ties to France and opposition to Patrice Lumumba of the Congo. [112] These developments together with the initial ideological differences regarding the approach to be followed regarding African unity led to the formation of two opposing groups namely; the Casablanca and Monrovia alliances.[113]

The Casablanca alliance[114] could be described as the more radical of the two groupings. This group called for the immediate political unity/integration of the continent at the founding of the OAU and advocated that development should be undertaken through social and economic planning driven by the state.[115] The Monrovia alliance[116] was more moderate and advocated for a gradual approach to African unification by first strengthening the newly independent states and then establishing sub-regional economic blocs. The Monrovia alliance also favoured a development approach driven by a free and open market with foreign investment playing an important role.[117]

A close look at the positions of the two opposing groups reveals that the central problem dividing them relates to the issue of sovereignty. The Casablanca alliance, informed by the ideals of Kwame Nkrumah, held the view that political unity was the main prerequisite for the development of independent Africa [118] and thus called for a *United States of Africa* under which sovereignty would be pooled.[119] This effectively meant that the jurisdiction over economic, defense and military planning as well as foreign policy would fall under a centralized government.[120] Although the Monrovia alliance agreed with the need for African integration, the alliance was more concerned with the preservation of sovereignty.[121] Countries belonging to this

[112] ibid., p. 129
[113] ibid., p. 223
[114]The Casablanca Group consisted of Ghana, Mali, Guinea, the United Arab Republic, Morocco
[115]Olaosebikan, op.cit., p. 223
[116]The Monrovia Group consisted of Nigeria, Sierra Leone, Liberia, Togo, Ivory Coast, Cameroon, Senegal, Benin, Madagascar, Cahd, Burkina Faso, Niger, Republic of Congo, Gabon, Central African Republic, Ethiopia, Somalia and Tunisia.
[117]Olaosebikan, op.cit., p. 223
[118]Williams, D 'How Deep the Split in West Africa?', *Foreign Affairs*, vol. 40, no. 1, p. 119, October 1961
[119]Makinda, S & Okumu, F, *The African Union Challenges of Globalization, Security and Governance*, Routledge, New York, 2008, . p 22
[120] ibid., p. 22
[121] ibid., p. 22

alliance were of the view that cooperation on practical matters such as strengthening economic ties ought to be pursued first as opposed to combing sovereignty.[122]

By 1963, the year in which the OAU was formed, the Casablanca alliance had become weaker while the Monrovia alliance had gained momentum and was thus better placed to advance its agenda. A preparatory conference of African states was held in May 1963 and was mandated with the formulation of plans for the establishment of the OAU. A special committee within this conference was constituted and studied a variety of proposals regarding African integration. Despite the differences between the two alliances, a compromise charter, establishing the OAU, was agreed upon and signed on 25 May 1963.[123]

The OAU Charter clearly spelt out the key aims, objectives and principles of the new organisation. However, two cardinal principles of non interference in the internal affairs of Member States based on sovereignty and the respect for the inherited colonial borders would in the future create great challenges for the organisation.[124]

The creation of the OAU represented a move to repackage the Pan-Africanist aspirations of the continent. Timothy Murithi refers to this as the "institutionalization of Pan-African principles".[125] The formation of the OAU in 1963 was significant in that African countries were responding to a genuine challenge of the time. As such the OAU was driven by a desire to emancipate those countries still under colonial rule and to "foster their social and economic self-determination".[126]

Africa's Growth Track Record

Despite the above-stated challenges, in the first few years after independence, Africa did have its fair share of successes, of countries that achieved modest results in terms of economic growth. Statistics reveal that in the immediate post-independence period, economic growth was fairly impressive with income per capita increasing by approximately 2, 6 percent annually in the

[122] ibid., pp 22-23
[123] Makinda & Okumu, op.cit., p. 11
[124] ibid., pp 11-28
[125] Murithi, T, *The African Union*, Ashgate Publishing Limited, Hampshire, 2005, p. 3
[126] ibid., p. 3

1960s.[127] By the end of the 1960s political independence had been achieved by the majority of African countries. The mantra of nationalist leaders such as Kwame Nkrumah, Ghana's first President after the country attained independence in 1957, was "seek ye first the political kingdom and all else shall be added unto you"[128]. In other words, once African countries had become independent, they began focusing on the project of attaining economic independence and prosperity. As a result, in the 1960s and 1970s the post-colonial state assumed the lead in the development exercise. Numerous state-led development initiatives geared at industrialization and socio-economic growth were undertaken with varying degrees of success.[129]

The role of the state in development was highly welcomed in the period following independence due to two main reasons. The first reason relates to the absence of indigenous private entrepreneurs who could form the base of a thriving private sector. Secondly, the economic distortions created by colonialism necessitated that the state step-up and play an active role in the economy.[130] Scholars such as Leftwich and White support the role of the state in development and argue that state intervention and involvement is essential for development to take place because development requires conscious and planned state action.[131]

As previously stated, these state-led initiatives and other similar policies resulted in modest growth rates, which was an indication that attempts at restructuring the inherited colonial economy were having a positive impact. However, developments in the global economy in the 1970 such as rising oil prices and Africa's debt crisis had an adverse effect on the gains registered on the economic growth front.[132] By 1970 income per capita had decreased to 0.9 percent per year and continued to decline.[133] By the late 1970s the continent had descended into what has come to be known as the "African Crisis".[134] The 1980s were dubbed the lost decade

[127] Moss, op.cit., p. 94
[128]Smertin, Y, *Kwame Nkrumah*, Progress Publishers, Moscow, 1987, p. 118
[129] Twineyo-Kamugisha, op.cit. pp 21-28
[130]Hwedi, O, 'The State and Development on Southern Africa: A Comparative Analysis of Botswana and Mauritius with Angola, Malawi and Zambia',. *African Studies Quarterly*, vol. 5, no. 1, 2001, p. 19
[131] ibid., p. 29
[132] ibid., p. 30
[133] Moss, op.cit., p. 94
[134] Arrighi, G, 'The African Crisis', in New Left Review 15, viewed on 9 February 2013, http://www.newledtreview.org/?view=2387, p.5

for the continent; as the economic situation for most countries continued to deteriorate at an alarming rate.[135]

The African Crisis

The 'African Crisis' was characterised by several factors. First, the 'African Crisis' was marked by a decline in the quality of life of the majority of people of most African countries. This decline was evidenced by a decrease in indices relating to health, sanitation, nutrition, infant and child mortality, school enrolment and literacy rates as well as an increase in unemployment and underemployment.[136] Second, there was a general decline in the rate of growth in all sectors of national economies. Economic data produced by the World Bank in 1986 indicated that during the period 1970 to 1980 the GDP growth rate for low income Africa declined by 2,7% to 0.7 % in 1982 and reached a low of 0.2% in 1983.[137] During the same period GDP per capita declined together with the average per capita food production.[138] This resulted in a major dip in food self-sufficiency in sub-Saharan Africa. Third, the 'African Crisis' saw the weakening of the foreign exchange position of national economies; this as a consequence of a decrease in the export earnings of the region accompanied by the failure of financial flows (grants, investments) to plug the gap. Fourth, this period also saw the degradation of the natural environment in attempts to generate a living from the land. [139]

In essence, the combination of factors described above led to a situation where investment levels were too low "even to maintain or rehabilitate existing production capacity, let alone develop it and in which political and governmental arrangements inhibited the full mobilisation of national human resources in the drive for survival and development".[140] As a consequence the economy was practically left vulnerable to every natural calamity as well as to the vagaries of the international economic environment. During this period Africa was at the bottom of the class where development was concerned. The most dominant explanation for the cause of the 'African

[135] ibid., p 5
[136] ibid ., p 5
[137] World Bank (1986), World Development Report 1986. London
[138] ibid
[139] World Bank (1986), World Development Report 1986. London
[140]ibid

Crisis' is the consistent development and implementation of poor policies coupled with poor (bad) governance on the part of policy makers, elites and ruling groups as well as government.[141]

Competing Responses to the African Crisis

The Lagos Plan of Action

African leaders took cognizance of the crisis ravaging the continent and sought collective measures on how to address it. Therefore, on 29 April 1980 in Lagos, Nigeria the OAU convened a summit of Heads of State and Government geared at consolidating the socio-economic challenges facing the continent. The outcomes document of the summit was the *Lagos Plan of Action for the Economic Development of Africa, 1980-200* and the *Final Act of Lagos,* simply referred to as the Lagos Plan of Action.[142] The OAU attributed the crisis to a chain of external shocks. These included the deteriorating terms of trade for primary products, growing protectionism of wealthy countries, soaring interest rates and escalating debt service commitments.[143] The LPA contained a detailed analysis of the challenges and plans in the following sectors: food and agriculture, industry, natural resources, transport and communications, trade and finance, energy, science and technology as well as the environment. This document made reference to the need for Africa to "reduce its dependence on external nations and replace this dependence with a self-sustaining development strategy based on the maximum internal use of the continent's resources."[144]

What is glaringly apparent in the LPA, is the blame which African leaders apportion on exogenous factors (for example: the exploitative international economic system and externally imposed development strategies) for the continent's dismal economic performance since independence. The LPA seemed to completely ignore the fact that domestic factors also contributed to the continent's economic decay and political instability. These internal factors included as military coup d'états, ethnic violence, civil strife and political instability.[145]

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[141] Arighi, op.cit., p. 6
[142]Browne, S & Cummings J, *The Lagos Plan of Action vs. The Berg Report*, Brunswick Publishing Company, Virginia, 1984, p. 25
[143] OAU, The Lagos Plan of Action for the Economic Development of Africa, 1980-2000, Geneva 1981
[144]Browne, S & Cummings J, op.cit, p. 25

[145]Arighi, op.cit., pp 6-8

Nonetheless, the LPA was a historic document as it represented the first continent-wide effort by African leaders to diagnose Africa's problems and to forge a way forward that would position the continent on a path to economic development. Despite this achievement on the part of African leaders to tackle the continent's developmental challenges, the LPA did not receive the much needed support from the continent's external development partners including the Bretton Woods Institutions of the World Bank and the International Monetary Fund (IMF).

Robert S. Browne and Robert J. Cummings provide three possible explanations for the World Bank's dismissal of the LPA. Firstly, they contend that the LPA was seen by the World Bank as too unrealistic or impractical to merit any attention. Secondly, they argue that the LPA was in conflict with the World Bank's vision of how the global economy ought to progress, and thirdly, the World Bank was of the view that the LPA had little genuine support from the 'African ruling circles' and could as such be sidelined and ignored with impunity.[146] Also, the LPA was criticized by the World Bank as not creating sufficient space for the private sector to play a meaningful role in development as well as a perceived lack of commitment to reforming the public sector to stimulate growth.[147]

The Berg Report

Apparent from these tensions between the authors of the LPA and the World Bank was a clash of ideas on how best to resolve the 'African Crisis' as well as its causes. As a result, the World Bank set about conducting its own assessment of Africa's development challenges with the intent of devising appropriate strategies to accelerate economic growth and development in Africa. The World Bank report on *Accelerated Development in Sub-Saharan Africa: An Agenda for Action* was published in 1981 and is commonly referred to as the Berg Report. Unlike the LPA, the Berg Report blamed Africa's economic decay on internal factors which could broadly fit under the umbrella of bad governance. Essentially, it was the view of the authors of the Report that African government's had only themselves to blame because their economic

[146] Browne, S & Cummings J, op.cit, p. 32
[147] ibid. p. 32

predicament was as a result of policies "designed to shift resources into the hands of state elites and those on whom they relied for political support".[148]

The Report was very critical of the 'bad' policies adopted by African governments and identified the following as policies that greatly undermined the process of development: overvalued national currencies, the neglect of peasant agriculture, heavily protected manufacturing industries and excessive state intervention.[149] The Berg Report called for action in a number of areas, but what came across rather strongly was the Report's emphasis on minimizing state involvement in the economic arena as well as providing space for the private sector to steer the process of development. The Report envisioned the state's role as that of only providing a conducive environment for the market to flourish. Furthermore, emphasis was placed on market-led development as opposed to government/state-led development.[150] Although, in not so many words, the Report alluded to the poor state of governance in Africa and therefore placed a premium on trying to encourage the continent to rectify the governance deficiencies albeit under the auspices of a neo-liberal paradigm.

The Implementation of Structural Adjustment Programmes

As stated above, the recommendations proposed in the Berg Report influenced the contents of the Structural Adjustment Policies that the World Bank and International Monetary Fund imposed on African governments in order to receive new loans, obtain lower interest rates on existing loans or for aid disbursement.[151] Conditionalities were implemented to ensure that the loans to recipient countries were spent in accordance to the overall objectives of the loans; as prescribed by the Bretton Woods Institutions and other donor countries.

SAPs were introduced with the objective of reducing the recipient country's fiscal imbalances and enabling the economies of developing countries to become more market oriented. Generally, SAPs promoted free market programmes and policy. They required recipient governments to implement or undertake internal changes such privatization, cutting government expenditure and

[148] Clapham, C, 'Governmentality and Economic Policy in Sub-Saharan Africa, *Third World Quarterly*, vol. 14, no. 4, 1996, pp 809-823
[149] World Bank, Accelerated Development in Sub-Saharan Africa: An Agenda for Action, Washington DC, 1981
[150] Ake, op.cit, p. 99

[151] OAU, Africa's Priority Programme for Economic Recovery, 1986-1990

deregulation. Simultaneously, governments were also required to undertake external changes, particularly the reduction of trade barriers.

At first, African leaders were hesitant to accept the recommendations contained in the SAPs. However, most African leaders found that they had little choice but to accept and implement the recommendations so as to get the much needed capital to 'fix' their economies and place their respective countries on a path towards development.[152] Furthermore, the African debt crisis of the 1970s left many African states in a tight corner as they were unable to service the enormous level of borrowing/debt that had been acquired over the previous decades. The Bretton Woods Institutions as lenders of last resort were able to insist on the terms of the debt rescheduling for indebted Africa states.[153] As a result, these African states had to accept the terms and conditions set by the IFIs in order to receive funds not only from the IFIs but from other donor agencies/countries as well. These terms incorporated structural adjustment programmes. Statistics indicate that by the end of the 1980s, thirty-six out of forty-seven countries in Sub-Saharan Africa had embarked on Structural Adjustment Polices.[154]

The SAPS encompassed four broad themes, with marginal variations in their application to various countries. These four broad themes are: liberalization of the foreign exchange regime, replacement of state management by private management, reform of domestic pricing structures and the maintenance of macroeconomic stability.[155]

Modest successes were registered in the early years of the implementation of the SAPs. However, by the end of the 1990s it was evident that the SAPs had not delivered on their promise to push economic growth and development. High levels of poverty persisted, social indicators (education, health, literacy etc) did not register much improvement and by and large, African countries become even more indebted to International Financial Institutions (IFI) and

[152]Akilagpa Sawyerr, 'The Politics of Adjustment Policy', in Adedeji, Rasheed and Morrison, eds, The Human Dimension of Africa's Persistent Economic Crisis, London 1990, pp 218-223
[153] ibid. pp 218 – 223
[154]Fantu Cheru, The Silent Revolution in Africa: Debt, Development and Democracy¸ ZED Books, London, 1999, p. 15
[155]Clapham, op.cit., pp 811-812

donor countries.[156] Due to the lack of promised success by the proponents of the SAPs (WB, IMF, donor governments), many criticisms have been put forth to explain this lack of success.

Firstly, the SAPs lacked a sense of country ownership by the recipient governments themselves, as there was no consultation between the IFIs and the recipient countries in the development of the SAPs and the specific recommendations proposed.[157] This lack of ownership bred a sense of unwillingness by African governments to implement the SAPs. The fact that the IFIs had little capacity to implement the SAPs and thus relied on African governments further entrenched the syndrome of poor implementation. Secondly, the SAPS left very little (if any at all) room for African governments to implement their own models of development. Thirdly, the SAPs severely limited the capacity of developing countries to experiment with their own models of development. Lastly, and arguably most importantly, the SAPS failed to promote growth and reduce poverty.

In light of the above, IFIs came to the realisation that although they had vilified the state in terms of its role in development, they could no longer ignore the fact that it was unavoidable. They had to come to accept that states were indispensible if the objectives of reform and development were to be met. The WB published a report titled *Sub-Saharan Africa: From Crisis to Sustainable Growth* in November 1989. This report recognized the need to maintain a healthy balance between the roles of the market and the state in the development exercise.[158] However, the challenge was to create the *right* kind of state, a state that would measure up to the standards needed to transform an economy and attain development. The WB then preoccupied itself with creating programmes that would develop the right kind of state needed to promote the economic policies which were regarded as appropriate.[159] The programmes developed addressed the following concerns, namely; good governance, the creation of multiparty liberal democratic systems of government and the respect for basic human rights. Aid agencies and door governments also emphasized the following principles: legitimacy, accountability, regularity and transparency.[160]

[156] ibid., p. 813
[157] ibid., p. 812
[158] ibid., p. 812
[159] ibid., pp 811-813
[160] ibid., p. 813

The Broadening Global Agenda as a result of the failure of the SAPs

The underlying premise of the SAPs was that the reforms which were promoted would lead to growth and development through the stabilisation, liberalisation and privatisation of economies. However, the failure of the SAPs and the neoliberal agenda in general in spurring growth, reducing poverty and promoting socio-economic development signalled the need for a different approach to development that would achieve inclusive growth and development. This different approach encompassed elements of promoting good governance, as already stated above, focusing on poverty reduction, ownership and stakeholder participation.[161]

As part of this broader agenda, the IMF and the World Bank launched the Poverty Reduction Strategy Paper (PRSP) process in 1999.[162] The PRSP was a document detailing how a developing aid recipient country would address the challenge of poverty reduction and sustainable development. The PRSPs were developed by the recipient countries- a clear deviation to SAPs that had been imposed (without consulting the governments concerned) on recipient countries. The PRSP approach was participatory in nature, thus inculcating a sense of ownership and commitment to the objectives contained in the PRSP of respective countries. Furthermore, the development of PRSPs became a prerequisite for countries wishing to receive debt relief under the Highly Indebted Poor Countries (HIPC) initiative. Around the same period, the United Nations was also grappling with the issue of poverty reduction as a means to attain sustainable growth and development. As a result in the year 2000, the Millennium Development Goals (MDGs) were introduced with specific targets for the reduction of absolute poverty.

From the foregoing, it could be argued that the failure of the neo-liberal approach to development through the SAPs did not necessarily result in the absolute abandonment of this approach, but rather in its re-incarnation. For instance, the development of the PRSPs and the HIPC initiative had undertones of conditionality and was therefore a perpetuation of the neo-liberal agenda disguised as pro-poor approach.[163]

[161] ibid. p. 813

[162]World Bank, Sub-*Saharan Africa: From Crisis to Sustainable Growth* in November 1989

[163]Clapham, op.cit., pp 815. See also: World Bank, *Governance and Development,* Washington DC 1992

The Need for Change in Africa (also) beckons

In addition to the afore-mentioned challenges faced by the continent (economic decay, political instability, the failure of the SAPs), towards the end of the 1990s Africa's mother body, the OAU was facing challenges of its own (which will be explored briefly in the chapter that follows). All these challenges taken together signalled that the continent was in desperate need of change and renewal if it was to successfully address its development challenges.

As a result, at the turn of the 21st Century, African leaders acknowledged the urgent need to place their countries, individually and collectively, on a path of sustained economic growth and development and whilst simultaneously benefiting from globalization. The transformation of the OAU to the African Union (AU) in 2002 and the adoption of the New Partnership for Africa's Development (NEPAD) as Africa's development programme and strategic framework were crystallized as institutional drivers of change, offering a joint platform to promote peace and security, democracy, political, economic and corporate governance, as well as a new social order in Africa.

Conclusion

This third chapter has given a broad overview of the post-colonial African economy. The chapter has shown that the African continent's post colonial development challenges necessitated the need for Africa to forge a common approach and a united front to overcome and address the identified challenges. The formation of the Organization of African Unity (OAU) in 1963 was a concerted effort in this regard and was as an instrument for the advancement of African solidarity and the pursuit of socio-economic development. Despite this concerted attempt the continent plunged into a deep crisis; and this culminated in the emergence of two different ideology different plans to resolve the crisis; namely, the Lagos Plan of Action of the OAU and the Berg Report of the World Bank. Ultimately, the World Bank's approach triumphed and consequently influenced the Structural Adjustment Policies which were implemented in Africa, with very low levels of success in overcoming Africa's challenges and spurring development, if any. The chapter has also shown that towards the of the twentieth century, Africa, as led by its new breed of leaders, began to agitate for a new development path or paradigm that was home-grown and would also result in some form of renewal and rebirth of Africa.

The chapter which follows (chapter four) deals with the subject of the transformation of Africa's premier institution, the OAU, to the AU and the emergence of NEPAD as a response to the global shifts on development thinking. NEPAD has been dubbed the African continent's blue-print for development and has been designed to address the critical challenges of poverty, development and marginalisation. The discussion on this new African architecture will serve to lay the foundation for a broader discussion on Africa's good governance innovation; the African Peer Review Mechanism.

CHAPTER FOUR

THE TRANSFORMATION OF AFRICA'S INSTITUTIONS

Overview

As stated in the previous chapter, the latter part of the 1990s witnessed significant changes or shifts in the general development discourse. In the immediate post-independence period the newly independent African state took the lead in the development exercise. Numerous state-led development initiatives were undertaken and these registered varying degrees of modest success in the early years.[164] Unfortunately, these early gains were eroded by developments in the global economy in the 1970s, such as rising oil prices and the African debt crisis.[165] Soon thereafter, the continent plunged into what has been referred to in relevant literature as the African Crisis. The Organisation of African Unity (OAU) and the World Bank developed different responses to the crisis. Ultimately, it would be the World Bank response, in the form of the Berg Report that would prevail in addressing the crisis in Africa. The Structural Adjustment Programmes (SAP) that were eventually implemented (imposed) in Africa were influenced by the recommendations of the Berg Report. The SAPs proved to be largely ineffective in addressing the challenges and spurring economic growth in Africa. Towards the end of the 1980s and the beginning of the 1990s the global discourse on development was broadened and words such as good governance and poverty alleviation began to form part of the 'vocabulary' of the development debate.

These global developments also necessitated the need for change in Africa's institutional architecture. This chapter therefore seeks to provide a critical analysis of the transformation of the OAU to the African Union and the emergence of NEPAD as Africa's vehicle to bring about socio-economic development. The chapter will begin by briefly examining some of the key changes that led to the demise of the OAU and the emergence of the AU. The chapter will then discuss the slight change in focus of the AU *vis-a-vis* that of the OAU. The chapter will conclude by arguing that the emergence NEPAD is an indication that Africa has been able to successfully develop its own indigenous plan that will assist in addressing global development challenges. Furthermore, the emergence of NEPAD showcases that Africa is serious about promoting,

[164]Twineyo-Kamugisha, op.cit. pp 25-27
[165] ibid. pp 25 – 27

amongst others, the ideals of good governance. The fourth chapter will lay a firm foundation for the discussion on the African Peer Review Mechanism (APRM) in the penultimate chapter (chapter 5) of this study.

Challenges Facing the OAU

The OAU succeeded in achieving its primary objective - that of eradicating all forms of colonialism in Africa - on 27 April 1994 when the system of internal colonialism was demolished in South Africa.[166] However, despite this major success, the OAU faced a plethora of challenges which weakened its legitimacy. The OAU has been judged by history as a "painfully ineffectual regional body, too often presided over by dictators who made a mockery of its Charter's concern for human rights and social justice".[167] Some of the challenges which the organisation faced are explored hereunder.

Scholars such as, Vincent Nmehielle, have described the OAU as "toothless bulldog"[168] whose bark was worse than its bite. Basically this term portrayed the OAU as a body that was unable or unwilling to bring to book Member States that had contravened its principles. In his book, *The African Union,* published in 2005, Murithi points to the fact that this was most probably because the organisation itself was presided over by a club of Heads of States who were self-appointed dictators and oligarchs and as such not legitimate representatives of their people.[169] The Charter of the OAU endorsed the principle of non-intervention in the internal affairs of Member States.[170] The observance of this very principle would prove to be a challenge for the organisation. OAU Member States interpreted and observed this principle to the letter and utilized it in a way that discouraged the organization from reprimanding and condemning "errant

[166]Apartheid was a form of internal colonialism; it was a system of racial segregation enforced through legislation by successive National Party governments, who were the ruling party from 1948 to 1994. Under this system the rights of the majority black inhabitants of the country were severely curtailed and white supremacy and Afrikaner minority rule was maintained. Scholars such as Timothy Murithi, John Akokpari and Kay Matthews have affirmed that the OAU succeeded in its chief assignment of liberating Africa from the yoke of colonialism in 1994 when South Africa achieved its National Democratic Revolution. (See: Murithi, T, *The African Union*, Ashgate Publishing Limited, Hampshire, 2005. See also: Matthews, K, 'Renaissance of Pan-Africanism: The AU and the New Pan-Africanists', in *The African Union and its Institutions*, Akokpari J & Ndinga-Muvumba A et al (eds), Fanele, Pretoria, 2008).
[167] Adejo, op.cit., p.131
[168]Nmehielle, V, 'The African Union and the African Renaissance: A New Era for Human Rights Protection in Africa?', *Singapore Journal of International and Comparative Law*, 2003, p. 421
[169] Murithi, op.cit., p. 27
[170] OAU Charter, 1963

regimes in the sphere of human rights".[171] To further entrench this principle, former President Toure of Guinea once stated that the OAU could not be party to a tribunal which discussed the internal affairs of any member state of the organisation.[172] As a result, the OAU was generally inactive when it came to addressing issues of human rights violations on the continent. History is littered with examples of gross human right violations in Africa and the OAU's lack of action in that regard. Human rights violations occurred unabated in the Congo under the leadership of Mobutu Sese Seko, Uganda under Idi Amin and Milton Obote, under the various military regimes in Nigeria from 1966, in Central African Republic under Jean Bedel Bokassa, in Malawi under Kamuzu Banda, in Equatorial Guinea under Nguema Mbasogo, in Ghana under various military regimes leading up to that of Jerry Rawlings, in Kenya under Daniel Arap Moi and similar experiences in a number of other countries.[173]

The OAU has also been criticized for its impotency in its endevours to positively influence national policies, to monitor the internal behavior of its Member States and to foresee and prevent crises.[174] A relevant example in this case was the Rwandan Genocide of 1994 where hundreds of thousands of Africans died in a battle between the Hutu's and the Tutsi's.[175]Murithi states that the OAU had neither the political will nor means to foresee or intervene in the crisis.[176] Furthermore, civil wars in Angola, Chad and Sudan continued unabated for years and the OAU did very little to halt them.[177] In addition to the challenges faced by the OAU in terms of conflict management, prevention and resolution, the organization was also ill-equipped to effectively address the new social and economic realities of a post-independent Africa.[178] Such

[171]Udombana N, 'Can the Leopard Change its Spots, the African Union Treaty and Human Rights '. *American University International Law Review*, vol. 17, no. 6, 2002, p. 1183
[172]ibid., p, 1210
[173]ibid., p. 1236
[174]Murithi, op.cit., p. 27
[175]Straus, S, 'How Many Perpetrators were there in the Rwandan Genocide? An estimate.' *Journal of Genocide Research*, vol 6, no. 1, 2004, pp 85 – 86
[176]Murithi, op.cit., p. 29
[177] David Meyers, 'Intraregional Conflict Management by the Organisation of African Unity'. *International Organization*, vol 28, no. 3, 1974, pp 345-374. & R.C Pradhan, 'OAU and the Congo Crisis'. *Africa Quarterly*, vol. 5, 1965, pp 30-42
[178] 'The transition from the OAU to the African Union', viewed on 10 February 2013, http://www.au2002.gov.za/docs/background/oau_to_au.htm

new global realities included the scourge of HIV/Aids and the escalating levels of poverty, debt and inequality.[179]

These challenges propelled the need for change within Africa's premier institution. It became as clear as daylight that there was a need to reinvent, strengthen and redirect the OAU's focus to make it better able to respond to address the continent's contemporary developmental challenges. This is a view that has also been echoed by Samuel Makinda and Wafula Okumu in the book *The African Union: Challenges of globalization, security and governance*, published in 2008. The authors state that the "the persisting inadequacy and structural incapacity of the OAU led to a realization that Africa needed a new organization that could take risks and responsibility in promoting development, peace and security". [180]

In July 2000 African Heads of State and Government convened in Lome, Togo for the 36th Ordinary Session of the OAU. One of the outcomes of the Summit was a draft Treaty for an African Union (AU) which would replace the OAU.[181] At the 38th OAU Summit in Lusaka, Zambia in 2001, the former Secretary-General, Salim Salim, was tasked to continue, together with Member States, a process to work out the rules of procedure to launch the key structures of the AU (such as the Assembly of Heads of State and Government, the Executive Council of Foreign Ministers, the Permanent Representatives Committee of Ambassadors).[182] The inaugural Summit of the Assembly of the AU held in July 2002 in Durban, South Africa signalled the end of an era for the OAU.[183]

The African Union

The AU encompasses a broad set of objectives which include: accelerating the political and socio-economic integration of the continent; promoting democratic principles and institutions,

[179] Adejo, op.cit. p. 131
[180]Makinda, S & Okumu, F, op.cit., p. 29
[181]The transition from the OAU to the African Union', viewed on 10 February 2013, http://www.au2002.gov.za/docs/background/oau_to_au.htm
[182]Adejo, op.cit.' p. 133
[183]The transition from the OAU to the African Union', viewed on 10 February 2013, http://www.au2002.gov.za/docs/background/oau_to_au.htm

popular participation and good governance as well as establishing the necessary conditions which enable the continent to play its rightful role in the global economy.[184]

Although there are some continuities and similarities between the objectives of the AU and its predecessor, the AU offers a more comprehensive set of goals. The Charter of the OAU only contained five of these, whilst the AU Constitutive Act contains an impressive list of fifteen objectives. Unlike the OAU which sought unity only among African states, the AU seeks to achieve greater unity and solidarity not only between African countries but between the people of the continent as well. The Economic, Social and Cultural Council (ECOSOCC) has been mandated as the body responsible for building unity between African civil society organisations. Through ECOSOCC, African civil society is granted a bigger voice in influencing the content and direction of continental policy through the election of members to serve in the Pan African Parliament (PAP) and through contributions to the work of the AU's Peace and Security Council (PSC), the African Commission on Human and People's Rights "(ACHPR) and the APRM.[185] The Constitutive Act also commits the AU to advancing democratic principles and institutions, popular participation and good governance. This was glaringly absent in the OAU's set of objectives.

The principles of the AU, which inform the manner in which it functions, are contained in Article IV of its Constitutive Act. These principles also emphasize the difference in focus between the AU and the OAU. The AU has sixteen principles which can be categorized into four broad categories: traditional principles adopted from the OAU; good governance and social justice; peace and security; and socio-economic development.[186] The addition of principles is an improvement, a marked departure from the principles contained within the scope of the OAU. These principles are designed to enhance the respect for democratic principles, human rights, the rule of law and good governance. The AU also strongly condemns unconstitutional changes in government, acts of terrorism and impunity. Informed by this principle, the African Heads of State and Government at their first Summit committed themselves on behalf of their countries to "practice the principles and core values of democracy, political, economic and corporate

[184]African Union Constitutive Act, 2000
[185]Makinda & Okumu, op.cit., p. 35

[186] ibid., p. 37

governance".[187] (This ultimately led to the development of NEPAD and ultimately the APRM, an African self-assessment mechanism which monitors participating countries performance in regard to "policies, standards and practices that will lead to political stability, high economic growth, sustainable development and accelerated regional integration in the continent".[188])

It can be correctly argued that the establishment of the AU, in replacement of the OAU, was a statement by Africa's leaders that the time had come for Africa to bear the mantle of its development, set the terms of reference of how the challenges of the continent would be overcome with minimal external dictation. It is evident from the new principles that the AU has set for itself (such as the promotion of good governance and the respect for the rule of law etc) that the organisation seeks to make a clean break from the past inefficiencies of its predecessor body, the OAU. So in as much as the AU respects the principle of sovereignty, it also recognises that African countries should be held accountable to one another in the interests of advancing the continent's development. This is evidenced by a quote of former President Thabo Mbeki that reads:

> There is a recognition of the absolute sovereignty of the African state. In spite of the sovereignty, we must be our brothers' keeper and strive to end poverty in our continent. We must think for ourselves and not allow others to think for us.[189]

The previous chapter stated that in the 1990s a myriad of development challenges emerged. These were challenges that OAU had not been equipped nor designed to effectively deal with. These included, amongst others, the economic and social devastation caused by HIV/Aids, the widening inequality gap within countries, the marginalisation of Africa in world affairs, globalisation, poverty and the negative effect of poor governance.[190] Unlike its predecessor, the AU was designed to not only effectively address the aforementioned problems, but the AU was created to foster greater integration of African economies, to promote good governance and the rule of law.[191]

[187] ibid., p. 38
[188] ibid., p. 31
[189] Murithi, op.cit., p. 30
[190] Adejo, op.cit., p. 187
[191] Murithi, op.cit., p. 34

The intent with which the AU was established is commendable. However, without the consideration of several critical factors the AU runs the risk of following the same course as the OAU and being branded as ineffectual. The first crucial factor, as identified by Makinda and Okumu, lies in the ability and willingness of member states to pool their sovereignty in the greater interests of the continent,[192] because only as a united front can African countries address common developmental challenges such as HIV/Aids, and unjust international trade practices. Secondly, the African citizenry needs to hold its government's to account. Africa cannot dream of attaining high levels of socio-economic development if its governments consistently perform below par in the areas of democracy, transparency, accountability and general good governance. Thirdly, and arguably most importantly if the AU is to succeed it will need to ensure that its good policies are implemented. If the AU is to truly distinguish itself from its predecessor it will have to graduate from offering rhetoric to more concrete action. In 2012, the AU marked ten years of existence,[193] and there is proof to suggest that indeed the organisation is determined to be an organisation that implements its policies and registers tangible results particularly in the area of promoting socio-economic development in Africa. The New Partnership for Africa's Development (NEPAD), is one such initiative of the AU that is goal-driven and results-oriented.

The New Partnerships for Africa's Development: The AU's blueprint for development

The establishment of the New Partnership for Africa's Development (NEPAD) is in line with one of the objectives of the AU to promote sustainable development at the economic and social levels as well as to promote the integration of Africa's economies. NEPAD is a programme of the AU adopted in Lusaka, Zambia in 2001 under the name *New African Initiative* (NAI).[194] The NAI was the product of the merger of two development plans for Africa. The first one was the OMEGA Plan for Africa championed by the former president of Senegal, Abdoulaye Wade.[195] The second one was the Millennium Partnership for the African Recovery Programme (MAP) championed by the former presidents of South Africa, Thabo Mbeki and supported by Abdelaziz Bouteflika, and Olesugun Obasanjo the former presidents of Algeria and Nigeria respectively.[196]

[192]Makinda & Okumu, op.cit., p. 56
[193]Mbeki, T, '10Years Old – A Dream Deferred'. *The Thinker*, vol. 43, September 2012, p. 8

[194] NEPAD Planning and Coordinating Agency, viewed on 5 December 2012, http://www.nepad.org/
[195] OMEGA Plan for Africa, May 2001
[196]The Millennium Partnership for the African Recovery Programme, May 2001

A decision was taken at the first meeting of the NAI's steering committee in Abuja, Nigeria in 2001 to rename the programme the New Partnership for Africa's Development.[197]

The first paragraph of the NEPAD document describes the principle NEPAD as follows:

> This New Partnership for Africa's Development is a pledge by 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 development and, at the same time, to participate actively in the world economy and body politic. The Programme is anchored on the determination of Africans to extricate themselves and the continent from the malaise of underdevelopment and exclusion in a globalizing world. [198]

In essence, NEPAD's goals are to promote accelerated growth and sustainable development, to eradicate widespread and severe poverty and to halt the further marginalisation of Africa. It is therefore a holistic, comprehensive, integrated strategic framework for the socio-economic development of Africa. It is a framework which states the problems facing Africa and provides a Programme of Action in order to overcome them and realise the NEPAD vision.[199]

A central tenet of the NEPAD agenda is the emphasis on partnerships between Africa and the rest of the world, and between African states and their citizens.[200] This concept promotes the notion of all an inclusive and participatory development process; a marked departure from the post-independence externally imposed development plans, SAPs and conditionalities imposed by the Bretton Woods Institutions. Also, the NEPAD doctrine denounces the practice of Africa being dependent on external parties through aid or marginal concessions.[201]Once again this marks a departure from the Africa's past absolute reliance on external donors and international financial institutions. Professor Wiseman Nkuhlu, former Chairman of the NEPAD Steering Committee expressed this sentiment as a call for "a change in the donor/recipient relationship between the highly industrialised countries and multilateral development institutions on the one

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[197] NEPAD Planning and Coordinating Agency, viewed on 5 December 2012, http://www.nepad.org/
[198] NEPAD Framework Document, 2001
[199] Mukamunana, R, *Challenges of the New Partnership for Africa's Development (NEPAD): A Case of the African Peer Review Mechanism (APRM),* Unpublished PhD thesis. University of Pretoria, 2006
[200] Verwy, L, 'NEPAD and Civil Society Participation in the APRM', *IDASA Occasional Paper*, undated. p. 4
[201] NEPAD Framework Document, 2001, par. 5

hand and African countries on the other...It calls for the relationship to be transformed into a genuine partnership based on mutual respect, responsibility and accountability".[202]

What distinguishes NEPAD from previous development plans are the preconditions that it has set for advancement of socio-economic development. These include the following; a shift from statism to markets and public-private partnerships as the drivers of growth and development; competitive integration into the global economy[203]; as well as the entrenchment of governance issues in the development agenda.[204]It is precisely these conditions (that some argue have been influenced by the neo-liberal approach to development[205]) that have attracted the West and guaranteed its support for the NEPAD Programme.[206] This very characteristic of NEPAD, has led to critics arguing that the Programme does not stand a chance of survival given that its approach is largely neo-liberal. The argument is that Africa finds itself in a quagmire of underdevelopment because countries and institutions of the West preach the gospel of neo-liberal economics, encourage the developing world to institute reforms in line with neo-liberalism but they themselves operate outside of this framework.[207] In response, the CEO of the NEPAD Planning and Coordinating Agency (NPCA), Dr. Mayaki, has consistently denied the notion that NEPAD is a neo-liberal construct. He states that this impression originated from the fact that when the initiators of NEPAD created the programme, they sought recognition from the world's most industrialised nations at the time, the G7 (which later became the G8). The recognition of NEPAD by the G 7 then led people to assume that the NEPAD Programme had to be intrinsically neo-liberal for it to garner the support the most industrialised nations.[208]

Nevertheless, the initiators of the NEPAD Programme were able to successfully interpret the times and recognised that in order for Africa to advance, it would have to play by the established 'rules of the game'. Despite the changes that have occurred in the global development arena, the neo-liberal framework remains intact and dominant.

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[202] Verwy, L, op.cit., p. 6
[203]This includes export-oriented domestic production, diminishing tariff and non-tariff barriers to imports and the soliciting of Foreign Direct Investment.
[204] NEPAD Framework Document, 2001
[205] Verwy, L, op.cit., p. 8
[206]ibid., p. 7
[207] Murithi, op.cit., p. 5
[208]In 10 years, NEPAD has achieved a lot', interview with Ibrahim Assane Mayaki, Africa Renewal Online, viewed on 6 February 2013, <http://www.un.org/africarenewal/magazine/december-2012-10-years-nepad-has-achieved-lot > 2013

Conclusion

At the turn of the 21st Century, African leaders acknowledged the urgent need to place their countries, individually and collectively, on a path of sustained economic growth and development and whilst simultaneously benefiting from globalization. The transformation of the Organisation of African Unity to the African Union in 2002 and the adoption of the New Partnership for Africa's Development (NEPAD) as Africa's development programme and strategic framework were crystallized as institutional drivers of change, offering a joint platform to promote peace and security, democracy, political, economic and corporate governance, as well as a new social order in Africa. Africa's new breed of leaders such as Thabo Mbeki, Olesugun Obasanjo, Abdelaziz Bouteflika and Abdoulaye Wade viewed governance as critical to Africa's renewal.

This chapter has shown that the establishment of the AU and of NEPAD sought to address the weaknesses and challenges of the OAU which could broadly be broadly summarised as follows: lack of accountability and transparency in managing the affairs of the state on the part of African leaders, lack of transparency, the failure to hold its members accountable, the inability to influence the policies (economic, social and political) of its members, the inability to monitor the performance of member states, the inability to foresee challenges as well as the lack of participation of the African citizenry in the governance of the continent. It can be surmised from the foregoing that the AU and NEPAD are appropriate responses to remedying the ailments suffered by the predecessor to the AU. In addition, the AU and NEPAD are best placed to address the current development challenges faced by Africa. NEPAD is a home grown, internal response to Africa's challenges. For a change, Africa seems to be on the right path in terms of dictating its own development path and shying away from externally imposed interventions and measures from the outside parties.

In 2011, NEPAD marked ten years since its inception in 2001. The Programme has registered tangible results in areas such as science, technology, agriculture and infrastructure.[209] A notable area where NEPAD has made an even greater impact is the area of fostering good governance in Africa through the African Peer Review Mechanism.

[209] Mayaki, I (2012). In ten years NEPAD has achieved a lot. *The NEPAD Guide 2012*, pp 171-18

CHAPTER 5

AFRICA'S GOOD GOVERNANCE ARCHITECTURE – THE APRM

Overview

Chapter three of this study reflected on the post-colonial political economy of Africa in an effort to bring to the fore some of the developmental and governance challenges facing the continent. The fourth chapter focused on the African Union and NEPAD as new and fresh institutions that will assist the continent to effectively tackle the contemporary development challenges. As noted earlier, one of the key pillars of this new African good governance architecture is the African Peer Review Mechanism (APRM). This fifth chapter aims to dissect the APRM by examining its mandate and purpose, its governance structures and the process of peer review. The chapter will then divert its focus to issues arising from the implementation of the APRM since 2003. In so doing the chapter will answer the following questions: to what extent does the governance quality of a state inform its decision on whether or not to accede to the APRM? Of those states that have undergone the entire APRM process have there been notable improvements in the areas of deficiency which were identified during the respective review processes? To what extent has the sharing of APRM Best Practices happened? In essence, the purpose of this chapter is to conduct a thorough analysis of the major achievements and weaknesses of the APRM in the past ten years (2003-2013) and to offer a set of recommendations aimed at improving the APRM's effectiveness and efficiency going forward.

Africa's home grown governance initiative: the APRM

The African Peer Review Mechanism (APRM), as already stated in the previous chapters, is an instrument that is used to monitor the performance of African governments across four thematic areas; namely: democracy and political governance, economic governance and management, corporate governance and socio-economic development. For many years, the African continent has been dependent on external parties to address its developmental challenges and influence its policy direction. Dr. Rachel Mukamunana notes that Africa's dependence on external parties whether they be bilateral / multilateral donors or development institutions had limited impact, because political unrest, absolute poverty and underdevelopment have continued to plague the

continent.[210] Confronted with these challenges, and motivated by the African Renaissance, the new calibre of Africa's leaders such as Thabo Mbeki of South Africa, Olusugun Obasanjo of Nigeria and Abdelazziz Bouteflika of Algeria initiated the New Partnership for Africa's Development (NEPAD) as an indigenous African solution to be the blueprint of Africa's development plan. The initiators of NEPAD correctly recognized that good governance and development are inseparable. As a result, the first meeting of the NEPAD Heads of State and Government Implementation Committee (HSGIC) held in Abuja, Nigeria in 2001 agreed to establish parameters of good governance, which would influence their political and economic operations in order to achieve the objectives which are set out in the NEPAD doctrine.[211] In the following year 2002, the HSGIC approved the "Declaration on Democracy, Political, Economic and Corporate Governance" which is basically a code of good governance and was a precursor to the APRM which was established on 9 March 2003 as an instrument for monitoring performance in governance.[212]

Mandate and Purpose of the APRM

The APRM is a "mutually agreed instrument voluntarily acceded to by the Member States of the African Union as a self-monitoring mechanism".[213] According to the Base Document of the APRM, its primary purpose is "to foster the adoption of policies, standards and practices that lead to political stability, high economic growth, sustainable development and accelerated sub-regional and continental economic integration through sharing of experiences and reinforcement of successful and best practice, including identifying deficiencies and assessing needs of capacity building".[214] The mandate of the APRM is to ensure that the policies and practices of the participating states conform to the agreed values and standards of good governance as contained in the *Declaration on Democracy, Political, Economic and Corporate Governance*, which is an agreement that contains the political, economic and corporate governance principles, values and standards that ought to guide and inform the policy action of African states in the pursuit of

[210]Mukamunana, R, op.cit., p. 201

[211]NEPAD Framework Document, 2001, par. 57
[212]Communiqué of the third meeting of the NEPAD HSGIC in Rome, 2002, par. 5
[213]APRM Base Document, 2003, par. 1

[214]APRM Base Document, 2003, par. 1

poverty eradication and socio-economic development objectives. Paragraph six of the Declaration reads as follows:

> We the participating Heads of State and Government of the member states of the African Union have agreed to work together in policy and action in pursuit of the following objectives: democracy and good political governance, economic and corporate governance, socio-economic development and the African Peer Review Mechanism.[215]

APRM Thematic Areas

The APRM focuses on four thematic areas to assess a country's performance in each area. The area of *Democracy and Political Governance* seeks to ensure that the respective national constitutions of participating countries reflect democratic values and provide for accountable governance, promote political representation and create a free political environment. Furthermore, this thematic area seeks to enforce strict adherence to the position of the African Union on unconstitutional changes of government as well as compliance with other continental measures to promote democracy, good governance and peace and security. [216] The APRM notes that efficient and transparent financial management are necessary for promoting economic growth and reducing poverty. Therefore, the *Economic Governance and Management* thematic area seeks to promote macroeconomic policies that support sustainable development as well as promotes the implementation of transparent, predictable and credible government economic policies.[217] The APRM also pays particular attention to the areas of *Corporate Governance* and endeavours to promote some of the following objectives: providing an enabling environment and effective regulatory framework for economic activities as well as ensuring that corporations act as good corporate citizens with regard to human rights, social responsibility and environmental sustainability. The Mechanism goes a step further by adopting a wider approach to the concept of development. Development in this case is not only taken to mean an improvement in economic indicators, but it also encompasses a human well-being

[215] ibid., par. 1

[216] Declaration on Democracy, Political, Economic and Corporate Governance, 2002, par. 6

[217] Economic Governance and Management , http:// www.aprm.au.org/thematic-area/economic-governance-management , viewed on 23 January 2013.

element to it. As a result, the fourth thematic area; *Socio-economic Development* pursues objectives that are related to improving the well-being and social conditions of African peoples. Under this thematic area issues such as education, health, poverty, service delivery and gender equality are the main focus.

Governance Structures of the APRM

The APRM Base Document and the Operating Rules of Procedure[218] adopted in January 2012 at the 16th Summit of the Committee of Participating Heads of State and Government of the APRM (APR Forum) identify four institutions of leadership, management and support for the APRM. These are: the APR Forum, the Panel of Eminent Persons (APR Panel), the APRM Secretariat and the Committee of Focal Points.[219] In addition to these structures, national APRM structures have been created in each participating country. These are: the APR Focal Point and the National Governing Council.[220](However this chapter will only limit the discussion to the continental structures of the APRM).

The *APR Forum* is the highest decision making body of the APRM and comprises the Heads of State and Government of the countries participating in the process. This body has the overall responsibility of providing oversight over the operations of the Mechanism and for exercising constructive peer-dialogue and persuasion required to make the APRM effective.[221] Once the country review report for a country has been presented to the APR Forum, it is at this level that "peer-pressure" is meant to be exercised. At this level the Heads of State and Government exercise "constructive peer dialogue and persuasion, through offering assistance or applying appropriate measures, to effect changes in country practice where recommended".[222]

[218]The Operating Procedures have been developed in line with Paragraph 28 of the APRM Base Document which states that "to enhance its dynamism, the Conference of Participating Countries will review the ARM once every five years". The objectives of the Operating Procedures is to ensure the effective coordination and smooth operation of the APRM so as to be in consonance with sound principles of corporate governance and internationally accepted organizational practices.

[219]Operating Procedures for the APRM, 2012, par. 5

[220]Communiqué issued at the first APR Forum, 2004, par. 6

[221] Mukamunana, R, op.cit., p.205

[222]APRM Organisation and Processes, 2003, par. 3

The *APR Panel* is composed of nine distinguished eminent Africans chosen on the basis of their expertise in areas relevant to the work of the APRM, their high moral stature and commitment to the ideals of Pan Africanism.[223] The APR Panel has the responsibility of ensuring the independence, professionalism and credibility of the Country Review Process. Added to this, the APR Panel also has the responsibility to submit country review reports to the APR Forum with recommendations on measures that could be taken to assist the country under review to improve its governance and socio-economic development performance. [224] To ensure the independence of Panel Members and lack of political manipulation, article 16 of the Operating Procedures for the APRM stipulate that appointees to the APR Panel should not be active in politics or be high ranking government officials as this could lead to a conflict of interest with their duties on the Panel.[225]

The *APR Committee of Focal Points* is an intermediary body between the APR Forum and the APR Secretariat comprising the Personal Representatives of Heads of State and Government participating in the APRM. This committee is primarily responsible for supervising the Secretariat to ensure the highest possible level of professionalism, transparency, efficiency and accountability of all Secretariat activities. The APRM Secretariat, based in Midrand, South Africa provides the secretarial, administrative, technical and coordinating support services for the APRM.[226]

APRM Review Process

The peer review process entails periodic reviews of the policies and practices of participating countries to ascertain progress being made towards achieving the mutually agreed goals and compliance in the four thematic areas, namely: Democracy and Political Governance, Economic Governance and Management, Corporate Governance, and Socio-Economic Development. The

[223] Operating Procedures for the APRM, 2012, par. 15

[224]Operating Procedures for the APRM, 2012, par. 40

[225]Operating Procedures for the APRM, 2012, par. 16

[226]Operating Procedures for the APRM, 2012, par. 49

APRM Base Document makes the acknowledgement that participating countries are not at the same levels of development upon acceding to the Mechanism. As such a country is assessed and a Programme of Action that details the steps to be taken or interventions made in the pursuit of attaining the agreed standards and goals is drawn up by the state in question, taking into account the particular circumstances of that state. The APRM does not adopt a 'one size fits all' approach, instead it tailor makes its recommendations to suit the contexts in different countries.

The peer review process is comprised of five stages. The first stage involves an in-depth study conducted by the APRM Secretariat of the political, economic, corporate governance and development environment of the country in question. In the second stage a Review Team visits the country under review to conduct consultations with the Government, officials, political parties, parliamentarians and civil society representatives. In the third stage, the Review Team prepares a report by utilizing the inputs received from the APRM Secretariat as well as the information collected during the country consultations. During this stage, the draft report is shared with the Government concerned in order to ensure the accuracy of the information as well as to afford the Government an opportunity to respond to the report and to make proposals on how the identified shortcomings may be addressed. These responses are attached to the final report Country Review Report. The report also needs to address crucial issues that will have a bearing on the success of the implementation of the Programme of Action. Such issues include the political will of the government in question to address the identified challenges, the financial resources that will be required to make the necessary rectifications and the duration of the process of rectification. In the fourth stage the Review Team's report is submitted to the participating Heads of State and Government of the APRM, through the APRM Secretariat, for their consideration and adoption. It is during this stage, where participating states are encouraged to provide assistance where they can to assist the country concerned as well as call upon the donor community to provide assistance where necessary. The fifth and final stage of the process occurs six months after the Heads of State and Government of the participating countries have considered the report. This stage entails formal tabling of the report in regional and sub-regional structures such as the Pan African Parliament, the African Commission on Human and Peoples'

Rights, the Peace and Security Council and the Economic, Social and Cultural Council of the AU.[227]

Periodicity and types of peer review

As stipulated in the APRM Base Document there are four types of reviews that are conducted. The first is the base review; this is conducted within eighteen months of a country voluntarily acceding to the APRM. The second type is a periodic review which is conducted every two to four years. Third, a participating country can (for whichever reasons it deems fit) request a review that is not part of the periodically mandated reviews and fourth signs of looming crisis; political or economic in a participating country would also necessitate conducting a review.[228]

GOVERNANCE QUALITY AND ACCESSION TO THE APRM

The second chapter of this study explored the relationship between good governance and development. A conclusion was reached that there exists a positive correlation between good governance and development. Given this positive correlation, African leaders also came to recognise that in order to overcome some of the challenges that have hampered the development of Africa over the years, there is a pressing need to tackle the continent's governance-related issues/challenges. The earlier parts of this chapter have illustrated that the APRM has been thoroughly designed to cover a wide range of governance areas so as to create a conducive environment for socio-economic development. Despite this calculated engineering, it is baffling that not *all* AU member states have acceded to the APRM given the potential role it could play in advancing the goals of NEPAD. As of January 2013, thirty-three countries out of a possible fifty-four had acceded, leaving twenty-one that have opted not to join the Mechanism. This development raises questions about why the twenty-one countries have not yet jumped onto the APRM bandwagon. The easiest conclusions to draw could possibly be that some countries may

[227] APRM Base Document, 2003, par. 18 -25

[228] APRM Base Document, 2003, par. 14

not see the added value of membership or they may be of the view that the review process is too intrusive and as such would erode some of their sovereignty.[229]

For example, Botswana has been heralded as the beacon of democracy on the continent and as a country that has a comparatively sound governance environment.[230] However, there are other countries that could stand to benefit from the periodic reviews of the APRM. Zimbabwe is a commonly cited example in this regard given the economic and political crises which have engulfed the country for sometime now. Peer Review would benefit Zimbabwe because firstly it would help the country rid itself of the image of being perceived as an outpost of tyranny and it would demonstrate to Africa and the global community that it is willing to bring a sense of normality back to the country. Secondly, undergoing review could attract external finance that the country is in desperate need of to revive its economy.[231]Ndlovu-Gatsheni makes a valuable point by stating that "the APRM will not make much sense if those countries like Zimbabwe that are 'red spots' in Africa snub it and those that are performing better accede to it, like South Africa".[232]

Grant Masterson has done substantial research in explaining why some states have chosen not to participate in the APRM, and more specifically if this is in any way related to the governance quality of a state. It would be easy to assume that states that have a poor governance record would automatically opt out of joining the APRM; however the composition of the participating states presents a mixed variety of countries. Masterson's study conducted in 2004 sought to determine whether there is a correlation between states that have joined and their existing governance quality.[233] The study revealed that there is a weak positive relationship between the good quality governance scores and APRM membership. Generally, states that were among the first to accede to the APRM had slightly better quality institutions and governance standards than states that had initially rejected the APRM.[234] Given that Masterson's study was conducted in

[229] Masterson, G, An investigation of existing governance quality and government commitment to the NEPAD African Peer Review Mechanism', Unpublished Masters Thesis, University of the Witwatersrand, 2004, p. 6
[230]Cook, A & Sarkin, J, 'Is Botswana the Miracle of Africa? Democracy, the Rule of Law, and Human Rights Versus Economic Development'. Transnational Law & Contemporary Problems, vol. 19, no. 453, 2011, p.454
[231]Ndlovu-Gatsheni, S, 'Bob is Peerless: Zimbabwe and the Quest for an African Peer Review Mechanism', 2006, p. 64. Paper presented at the Electoral Institute of Southern Africa Annual Symposium on *Challenges for Democratic Governance and Human Development in Africa*, Illovo, Johannesburg, 8-10 November, 2006.
[232] ibid., p. 64
[233]Masterson, op.cit., p. 4
[234]ibid., p. 4

2004, it appears that the trend is changing, albeit gradually. As of January 2013, the composition of the APRM includes countries that have low quality governance scores as shown in Masterson's study. These countries include Benin, Lesotho, Sierra Leone and Zambia.[235] Regardless of the varied factors that influence a state's decision whether or not to accede to the APRM, the Mechanism has taken off and is being implemented in a number of countries across the African continent.

KEY ISSUES ARISING FROM THE IMPLEMENTATION OF THE APRM

The 18th Summit of the APR Forum held in Addis Ababa, Ethiopia on 26 January 2013 declared that the 9th of March 2013 would be celebrated as "APRM Day".[236] It was on this day in 2003 when the APRM was established as the governance arm of NEPAD.[237] As such, the 9th of March will be utilised to conduct a retrospective analysis of the APRM reflecting on the achievements and challenges of the past decade in an effort to chart a way forward for the Mechanism. This study aims to enrich these discussions; hence the section that follows takes stock of the achievements and challenges that have arisen from the implementation of the APRM since 2003.

ACHIEVEMENTS OF THE APRM

The existence of a governance monitoring mechanism in Africa

The first commendable achievement worth noting is the fact that the African Peer Review Mechanism exists as a tool to assess and monitor governance in Africa. One of the key objectives of the OAU was to defend the sovereignty of African states and one of the core principles of the organisation was non-interference in the affairs of Member States of the OAU.[238] As a result, the OAU was seen to be a body that was unable or unwilling to bring to book Member States that had contravened its principles. The OAU was described as a "painfully ineffectual regional body, too often presided over by dictators who made a mockery of its Charter's concern for human rights and social justice".[239] The African continent has come a long

[235]ibid., p. 30
[236]Communiqué issued at the end of the 18th Summit of the APR Forum, January 2013
[237]African Peer Review Mechanism, http://www.nepad.org/economicnadcorporategovernance/africa-peer-review-mechanism/about, viewed on 13 January 2013.
[238]OAU Charter, 1963
[239]Adejo , op.cit., p. 131

way in altering the mindset of the old OAU guard because essentially the APRM is a tool that seeks to correct the lack of accountability in the affairs of APRM participating countries. The APRM has made the concept of robust debate and criticism less threatening and more acceptable in Africa.[240]

Steady progress in voluntary accession and Peer Review

The number of countries that have acceded to the Mechanism has grown steadily since 2003. As of the 18th Summit of the APR Forum in January 2013, there are thirty-three countries that have acceded to the APRM. Seventeen have been peer reviewed and have developed National Programmes of Action (NPoA) that detail time-bound commitments on governance and socio-economic development priorities over three years. Furthermore, the NPoAs identify relevant stakeholders for implementation as well as the estimated budgetary implications and allocations.[241] A key output of the Peer Review process is the development of the NPOA, which can also be noted as an achievement of the APRM. This study takes the view that although it is important for countries to accede to the APRM, it should not be the only measure of success. What is more important is for the APRM to be able to consolidate its influence in the countries that have already acceded. There are a number of countries which are not part of the APRM; at the moment this should not serve as an indicator of failure, but rather the APRM should work to ensure that those countries that have already acceded are implementing the APRM to the fullest extent possible so that real governance change can be seen.

Voluntary nature of the APRM

The voluntary nature of the APRM is often cited as one of its major weaknesses.[242] However this study takes a different view and argues that it is this voluntary nature of the APRM that is actually its strength. Thus it should be taken as an achievement that even though accession to the Mechanism is not compulsory, its membership continues to grow.

[240]Gruzd, S, 'Ten Reasons to Keep Faith with Africa's Peer Review Process'. *Policy Briefing 17, South African Institute of International* Affairs, May 2010, p. 2
[241]APRM Base Document, 2003, par. 13
[242]Fombad, Charles & Kebonang Z, 'The African Peer Review Mechanism'. *Current African Issues*, no. 31, 2006, pp 7, 46

Mr. Thabo Mbeki, the former South African President and one of the architects of the NEPAD initiative which gave birth to the APRM, was invited to the above-mentioned Summit in order to share his views on the APRM. Mbeki also expressed the view that the voluntary nature of the APRM is a strength and that the reason that membership to the Mechanism was not made mandatory is because the APRM is not a punitive instrument. Rather, it is an instrument that enables willing countries to come forward to be reviewed so that developmental challenges can be identified and addressed.[243]

Identification of cross-cutting issues

Through the APRM process, a number of cross-cutting issues (also referred to as over arching issues) that are common to African countries have been identified. These are basically areas of deficiency that are of a recurring nature and have been identified in more than one thematic area and they require immediate attention. These include: land reform and governance, poverty and inequality, unemployment, natural resource management, capacity constraints and poor service delivery, corruption as well as HIV/AIDS. All of these are issues that have a direct impact on the development of individual countries, and therefore the continent as a whole. Because of their wider impact on the quality of governance overall, they require a holistic approach in addressing them. The APRM has been useful in bringing these issues to the fore, and encouraging reviewed countries to address these challenges by developing concrete plans. Also, the fact that these are issues which are common to most African countries, it provides a platform that allows reviewed countries to come together to try and find collective and solutions to these challenges. The following table presents some of the common cross-cutting issues identified in the review process thus far.

[243] Discussion during the High-Level Panel Discussion on the APRM at the end of the 18th Summit of the APR Forum, January 2013

Cross-Cutting Issue	Ghana	Rwanda	Kenya	South Africa	Algeria
Managing diversity		x	x	x	x
Unemployment	x		x	x	x
Capacity Constraints and poor service delivery	x	x	x	x	x
Poverty and inequality			x	x	
Corruption	x		x	x	x

Source: APRM Secretariat

Dialogue on cross-cutting issues

A further achievement linked to the identification of cross-cutting issues is that African leaders have seen the need to dialogue on these common cross-cutting issues in an attempt to find collective, creative and holistic solutions to the identified governance and development challenges. An Extra-Ordinary Summit of the APRM was convened in Cotonou, Benin in October 2008 and focused on the following four cross-cutting issues: managing diversity and xenophobia, elections in Africa, resource control and management (land) and corruption.[244]

Further to this, at the 17th Summit of the Committee of Participating Heads of State and Government of the APRM (APR Forum) held in Addis Ababa, in July 2012, the idea of convening another Extra-Ordinary Summit in order to consider more cross-cutting issues was proposed.[245] It is important that regular discussions are held on such issues as this would provide an opportunity for countries to share experiences on how they have tackled some of the challenges.

Identification of Best Practices

One of the objectives of the APRM is the promotion of peer-learning through "identifying, collecting, disseminating and adopting best practices among countries participating in the APRM".[246] A best practice is defined as a "technique, process or activity that is more effective at delivering a particular outcome than any other when applied to a particular condition or

[244]Communiqué issued at the 1st Extra-Ordinary Summit of the APR Forum in Cotonou, Benin, October 2008
[245] Communiqué issued at the end of the 17th Summit of the APR Forum, in Addis Ababa, Ethiopia, July 2012
[246]APRM Base document, 2003, par. 4

circumstance".[247] Freelance governance researcher, Tsoeu Petlane identifies the following four basic characteristics of a best practice: dependable delivery of desired results, greater effectiveness and efficiency in delivering what they are designed for, potential or demonstrated ability to be replicated beyond a single occurrence as well as the ability to be used as a model for achieving success in similar circumstances.[248]

Therefore one of the achievements of the APRM over the past decade has been the identification and profiling of best practices that are worthy of being emulated by other countries facing a similar set of challenges. The concept of identifying best practices is central to the APRM, because as Petlane notes, this process is crucial for translating the APRM into a practical tool for promoting peer-learning and governance reform in participating countries.[249] "Best practices provide evidence that the APRM can produce tangible results in the form of valuable lessons that all Africans can learn from as they struggle to solve common problems".[250] The following table contains some of the best practices identified across all four thematic areas of the APRM from the first countries to be peer reviewed.

[247] Petlane, T & Gruzd, S. African Solutions: Best Practices from the APRM. Fanele,2011, p. 3
[248]ibid., p. 3
[249]ibid., p. 4
[250]ibid., p. 4

Country	Democracy and Political Governance	Economic Governance and Management	Corporate Governance	Socio-economic Development
Ghana	Successful democratic institutions Regional peacekeeping and peacemaking role	-	Support for Small to Medium Enterprises Ghana Stock Exchange	-
Kenya	Political and civil rights	Domestic resource mobilisation	Centre for Corporate Governance Institute of Directors	Universal primary education policy
Rwanda	Right to health, and access to education Rights of women	-	-	Promotion of gender equality
Algeria	National reconciliation and promotion of peace and unity Tolerance in an Islamic country	The Algerian scholarship programme for Africa	National Youth Employment Support	Involvement of religious authorities in the fight against HIV/Aids
South Africa	Co-operative governance Popular participatory governance Taking parliament to the people	Participatory budget process	Regulation of the auditing profession Financial Sector Charter	Provision of basic needs: electricity

Source: Petlane, T & Gruzd, S. *African Solutions: Best Practices from the APRM*. Fanele, 2011

Space for civil society to participate

The APRM has created space for civil society to participate in processes related to assessing governance systems; a task once considered the exclusive terrain of governments. In essence, the APRM has enhanced public participation in the governance process within the African continent. The APRM was designed with the intention for it to be a neutral space for interaction and

dialogue between all stakeholders on the promotion of good governance and socio-economic development programmes. The APRM MoU stipulates that all stakeholders should be involved in the development of the NPoA, including trade unions, women, youth, civil society, private sector, rural communities and professional associations.[251] Therefore, government, the private sector as well as civil society are joint participants in the APRM process. Upon accession to the APRM, countries are required to a establish National Governing Council (NGC) / National Commission which is tasked with the responsibility of providing strategic policy direction in the implementation of the APRM. The composition of the NGC must be diverse and representative to ensure that the spirit of the APRM – broad based participation – is maintained.[252] The membership of the NGC is a microcosm of the nation.

Candid Country Review Reports

Country Review Reports produced by the APR Panel of Eminent Persons are thorough and candid and honest. They present a clear, non biased representation of the state of governance in reviewed countries. The reports thoroughly examine the four thematic areas: Democracy and Political Governance; Corporate Governance; Economic Governance and Management as well as Socio-economic Development. The Country Review Reports identify areas of strength, commend countries for best practices and constructively point out areas that need further attention (governance weaknesses). In the Reports, the APR Panel of Eminent Persons also provides recommendations for countries to improve on the identified governance challenges.[253] Furthermore, reviewed countries are given the opportunity to respond to the findings in the report, thus creating a balanced report.[254]

Impressive Diagnostic Ability

The accuracy of the Country Review Reports in terms of the diagnosis of governance challenges and recommendations proposed should be commended. The Reports of Kenya and South Africa diagnosed election-related ethnic violence in Kenya as well as xenophobic tensions and capacity constraints and service delivery challenges in South Africa. Kenya was one of the first groups of

[251]Memorandum of Understanding on the Africa Peer Review Mechanism, March 2003, par. 22
[252]See Presentation by Mr. Assefa Shifa, Chief Executive Officer of the APRM Secretariat, at the Fourth Ordinary Session of the Pan-African Parliament, Midrand, South Africa, 19 May 2011, p. 5
[253]Gruzd, *Ten Reasons to Keep Faith with Africa's Peer Review Process*, op.cit., p.30
[254]APRM Base Document, 2003, par. 21

countries to undergo the review process in 2006. With the benefit of hindsight, if Kenya had implemented some of the recommendations of the APR Panel the country may have been able to avoid the post-election violence of 2007-2008. However, the recommendations went unheeded.[255] As a response, the APR Forum recommended in January 2009 that an assessment of the political situation following the 2007 post-election violence be undertaken. The review process is set to focus more on the thematic area of Democracy and Political Governance. A second country review mission was then proposed to take place in 2010; this was subsequently postponed to 2011.[256] At the time of finalizing this study, Kenya is yet to undergo its second review.

South Africa was reviewed in July 2007 and the report noted that there was discrimination against vulnerable groups, including non-nationals and this raised concerns about xenophobia.[257] The APR Panel recommended that the country take a serious look into the issue of what it termed xenophobia.[258] As though the APRM had prophetic ability, in 2008 the country witnessed a series of attacks by South Africans on non-nationals; these attacks had elements of criminality.[259] As a response to this issue, the Government of South Africa has committed itself to convening a National Dialogue on Xenophobia in order to engage society on the issue and report back to the APR Forum.[260] From the above, it is evident that the APRM has proven itself to have impressive diagnostic ability.

Governance improvements as a result of the APRM

The governance shortcomings identified in the reports are complex and require multi-dimensional interventions to resolve them. However, as the APRM marks a decade since its establishment, it is critical to try and identify and single out some of the areas where the Mechanism has effected change and improvement. Countries that have undergone review are

[255] Peer Pressure can be powerful: Interview with Amos Sawyer, African Peer Review Mechanism, http://www.un.org/africarenewal/magazine/december-2011%E2%98peer-pressure-can-be-powerful%E2%80%99 , viewed on 13 February 2013.
[256] Communiqué issued at the end of the 10th Summit of the APR Forum in Addis Ababa, Ethiopia, January 2009
[257] South Africa's APRM Country Review Report, 2007, pp 286-287
[258] ibid., pp 286-287
[259] *The Mail and Guardian,* 'Toll from xenophobic attacks rises', 31 May 2008, http://www.mg.co.za/article/2008-05-31-toll-from-xenophobic-attacks-rises
[260] Presentation by MPSA to the Portfolio Committee on Progress made on the implementation of the African Peer Review Mechanism National Programme of Action 22 February 2012

expected to present to the APR Forum an annual progress report on the implementation of the NPoA.[261] These progress reports detail progress made in addressing the challenges identified during the review processes. The progress reports submitted thus far do show improvements in the areas of deficiency identified (although it should be noted, that these improvements are partly informed by the APRM recommendations as well as other domestic measures). For instance, in Ghana the following gains have been made as a result of the APRM in response to the governance challenges identified in the Country Review Report: the establishment of a ministry to deal specifically with issues of Chieftaincy and Culture, the promulgation of important legislation (e.g. the Disability Act), and the setting up of the NEPAD School Feeding Programme.[262] In Kenya the following gains have been achieved largely as a result of the APRM process: the implementation of the NEPAD Comprehensive Africa Agricultural Development Plan (CAADP); the reform of the judiciary, civil service and the police service; the gradual implementation of gender sensitive policies.[263] It is evident from some of the annual progress reports submitted that the APRM is making gradual gains and impact on some governance aspects in reviewed countries.

External Support to the APRM

The APRM was designed as an African instrument to be used by African states to assess their own state of governance and develop home grown plans, as opposed to externally imposed plans (as was the case with the SAPs) to address the continent's challenges. However, over the past decade, the APRM has managed to garner extensive international support and external endorsement. Firstly, according to the APRM's 2011 annual report (which is the most recently published annual report at the time of completing this study) the following bilateral partners contributed USD 11,862,117 from 2003 to 2011: Canada, the United Kingdom, the European Union, Germany, Italy, Spain and Switzerland.[264] Multilateral partners in the form of the African Development Bank (AfDB) and the United Nations Development Programme (UNDP) contributed an amount of USD 2,950,000 during the same period.[265] In total, external financial

[261] Country Annual Progress Reports, http://aprm-au.org/category/document-categories/country-annual-progress-reports?page=1 , viewed on 14 February 2013.
[262] Ghana's Third Annual Progress Report, 2008, p. 13
[263] Kenya's Second Annual Progress Report, 2009, pp 39-79
[264] APRM Annual Report, 2011, p. 26
[265] ibid., p. 26

support to the APRM for the period 2003-2011 amounts to USD 14,182, 117 this in comparison to USD 26,328,164 contributed by APRM participating countries over the same period.[266]

Secondly, partnerships are crucial to the success of the APRM, which is why at the 6th Summit of the APR Forum held in Abuja, Nigeria in 2003, the Heads of State and Government took the decision that the APRM should have strategic partners to conduct technical assessments on countries to be reviewed.[267] Over the last decade the APRM has done very well in harnessing and nurturing its partnerships with strategic entities such as the United Nations Economic Commission for Africa (UNECA), the AfDB and the UNDP Bureau for Africa. These strategic partners have assisted in conducting technical assessments across the four thematic areas of the Mechanism and they participate in Country Support Missions and Country Review Missions. The support of the strategic partners also extends to supporting the implementation of the National Programmes of Action.[268]

Thirdly, the Joint Africa-EU Action Plan for 2011-2013 has as its Priority Area 2, *Cooperation in the areas of Governance Initiatives.* One of the activities under this priority area is to "strengthen the dialogue on the APRM process and the cooperation on the implementation of its recommendations".[269] In addition, through this Africa-EU partnership, the EU has committed itself to providing balanced and effective support to the APRM at the continental and national level, including the implementation of the National Programmes of Action.[270]

Review of Methods and Processes of the APRM

The APRM Continental Secretariat initiated a project of revising the methods and processes of the APRM in order to increase the impact of the mechanism on governance in member countries. This review process is in line with stipulations in the APRM Base Document which states that in order "to enhance its dynamism, the Conference of participating countries will review the APRM once every five years" (par28). As part of this mandate, a Revised Country Self-Assessment Questionnaire for the African Peer Review Mechanism, Operating Rules of Procedure for the

[266]ibid., p. 26
[267]Communiqué issued at the end of the 6th Summit of the NEPAD HSGIC in Abuja, Nigeria, March 2003
[268]APRM Annual Report, 2011, p.20
[269]Africa EU Action Plan 2011 – 2013, p. 23
[270]ibid., p. 23

APRM and a Monitoring and Evaluation Framework have been developed.[271] The purpose of the Questionnaire is two-fold. Firstly, to provide participating countries with a format that can serve as a checklist to determine whether the various stakeholders participating in the process have responded to their concerns. Secondly, it acts as a convenient mechanism to provide an overview of the results of their country self-assessment processes. The revision of the Questionnaire is informed, in part, by the complaints expressed by APRM participating countries that the Questionnaire attempts to cover too many issues, has a confusing structure and the questions overlap and are at times unclear. This renders it difficult for governments and for civil society organisations to respond adequately to the Questionnaire.[272]

The APRM has outlived its architects

Former Nigerian President, Olusegun Obasanjo has played a pivotal role in the regeneration and repositioning of the African Union though NEPAD. Former South African President, Thabo Mbeki has been largely credited with championing the African Renaissance and was one of the major forces behind NEPAD. Both leaders were therefore instrumental in the establishment of the APRM. When both Obasanjo and Mbeki left office in 2007 and 2008 respectively, it was widely believed that NEPAD (and by extension the APRM) would collapse without their greatest advocates. However, this has proven to not be the case because both NEPAD and the APRM have outlived their initial architects and continue to thrive.[273] The structures of the APRM, "both national and continental, have been established, strengthened and continue to meet on a regular basis".[274]

CHALLENGES FACING THE APRM

Despite some of the achievements and successes registered by the APRM over the past ten years, there are also challenges which persist. If these challenges are not addressed they might impact on the effectiveness and sustainability of the APRM going forward. The challenges identified will be explored hereunder.

[271]Shifa, op.cit., p. 8
[272]ibid., p. 8
[273]Gruzd, op.cit., p. 2
[274]ibid., p. 2

Financial contributions to the APRM

Article 27 of the APRM Base Document clearly stipulates that the funding for the Mechanism will come from assessed contributions from participating member states. The current compulsory contribution is US $100 000.00 per country, per annum. However, countries are welcome to make voluntary contributions. [275] Given the fact that the APRM is a voluntary mechanism and not all AU Member States are signatories to the accession MoU, the APRM does not receive any financial resources from the AU. The APRM is solely dependent on contributions from participating states and donor funding.

The current state of the annual country contributions to the APRM is not encouraging. As of 31 December 2012 there were only nine, out of thirty, participating countries that were up to date with their payments to the APRM process. These are: Algeria, Angola, Burkina Faso, Egypt, Kenya, Mozambique, Nigeria, South Africa and Zambia.[276] There are four countries that make special contributions, over and above the compulsory US $ 100 000,00 to the APRM; these are Algeria, Egypt, Nigeria and South Africa.[277] The rest of the participating countries are in various stages of arrears. For example, Djibouti and Ethiopia are four years in arrears, Malawi and Sudan are six years in arrears and Mauritius and Tanzania are eight years in arrears.[278] This financial state of affairs does not present a very positive picture if the various structures of the APRM, particularly the APRM Secretariat and the APR Panel of Eminent Persons, are to effectively carry out their responsibilities. Some of the countries that have not kept up to date with their payments to the APRM are most likely countries that have in the past had difficulties in paying their membership dues to the Organisation of African Unity and its successor, the African Union.[279] It is therefore likely that countries that have not been able to honour their financial obligations to the AU will also find it difficult to do so for the APRM. This is even more compounded by the current global economic crisis which makes it even more difficult for countries to honour their commitments.

[275]APRM Base Document, 2003, par. 27
[276]Statement of Contributions to the APRM 2012
[277]ibid
[278]ibid
[279]Udombana, N 'A harmony or a cacophony? The music of integration in the African treaty and the new partnership for Africa's development', *Indiana international and comparative law review* 13 , 2002, p. 233

Conversely, it could be rightly argued that countries that make the decision to join organisations, need to be prepared from the onset to meet the financial obligations that will ensure that the various objectives of the organisations are met. In the case of the APRM, countries which accede to Mechanism undergo an extensive review process carried out by the APR Panel with support from the APRM Secretariat. Financial resources are needed for review processes to be conducted, therefore if countries want to be reviewed (thereby deriving benefits from the APRM) they need to to ensure that they pay their annual assessed contributions.

Essentially, without adequate funding, the APRM runs the danger of being unable to sustain its own operations. If this challenge is not addressed, Africa runs the risk of opening the door to over-reliance on donor funding. This would defeat the notion of African solutions to African problems, if Africa is unable to fund its own initiatives. Africa needs to jealously guard the APRM and ensure that it maintains its character as an African initiative.

Non implementation of the National Programmes of Action (NPoA)

The APRM process carries serious diagnostic potential as can be seen from the outcomes of the Review Reports of Kenya and South Africa as previously cited. The success of the APRM therefore lies in the implementation of the NPoAs that detail time-bound commitments on governance and socio-economic development priorities over three years. However, one of the greatest challenges of the process is the lack of effective implementation of the recommendations of the APR Panel as well as the NPoAs.[280] This severely constrains the potential impact that the APRM could have on governance and socio-economic development. One of the reasons accounting for the lack of or poor implementation of the NPoA is the lack of funding.[281] This is not surprising given that the costing of the NPoAs often runs into millions of dollars. For example, Tanzania was recently Peer Reviewed at the 18th Summit of the APR Forum in January 2013 and according to the Country Review Report the total amount required to implement the NPoA is approximately four billion USD distributed as follows: [282]

[280] Gruzd, op.cit., p. 1

[281]This view was expressed on the discussions during the High-Level Roundtable Discussion on the APRM which took place during the 18th Summit of the APR Forum in Addis Ababa, Ethiopia, on 26 January 2013. The Presidents of South Africa, Benin, Algeria and Ethiopia participated in this discussion.

[282]Tanzania's Key Highlights of the APRM Country Review Report for discussion at the 18th Summit of the APR Forum, in Addis Ababa, Ethiopia on 26 January 2013, 2013, p. 17

Thematic Areas	Cost in USD
Democracy and political governance	58, 523, 949. 00
Economic Governance and Management	3, 166, 722, 350.00
Corporate Governance	24, 141, 905.00
Socio-economic development	880, 890, 789.00
Coordination of the Implementation and Monitoring of the NPoA	428, 922.00
TOTAL	**4, 130, 757, 915.00**

Source: Key Highlights of Tanzania's APRM Country Review Report 2013

Zambia was also Peer Reviewed at the above-mentioned Summit of the APR Forum. The country's Review Report reveals that the implementation of the NPoA is costed at around eighty billion USD distributed as follows[283]:

Thematic Areas	Cost in USD
Democracy and political governance	80, 180, 742, 000.00
Economic Governance and Management	540, 000.00
Corporate Governance	231, 500.00
Socio-economic development	30, 459, 932.00
TOTAL	**80, 211, 973, 432.00**

Source: Key Highlights of Zambia's APRM Country Review Report, 2013

It is clear from the above examples that extensive financial resources are needed to implement the NPoAs in effort to address the governance challenges across the four thematic areas. This places some countries in a quagmire, because if most countries are unable to afford or keep up to date with the compulsory annual membership contribution of a mere 100 000 USD, how are they going to afford to implement the NPoAs?

[283]Zambia's Key Highlights of the APRM Country Review Report for discussion at the 18th Summit of the APR Forum, in Addis Ababa, Ethiopia on 26 January 2013, p. 290

Poor synergies between the APRM NPoA and the National Plans of countries

Most of the findings contained in the Country Review Reports are rarely new challenges that countries under review were not aware of at the onset of the review process. It would be accurate to state that the APRM review process corroborates the existence of certain governance-related challenges. For instance an APRM review may reveal that a certain country faces challenges in its education system and as such needs to implement certain reforms. It is possible that this country may already have instituted certain plans and reforms through providing additional resources to the Ministry of Education. It is therefore important that when the country develops its APRM NPoA it takes into account already existing mechanisms within the country geared at addressing the identified challenges. Needless to state, one of the main reasons that some NPoAs are poorly implemented is because of the non-existent or poor synergies between the NPoAs and the government programmes of action or national development plans.[284] It is therefore imperative that APRM processes are streamlined into the national development plans of government. This avoids a duplication of efforts and double allocation of limited resources to address the same challenges.

Lack of monitoring mechanism

Countries that have undergone Peer Review are required to submit on an annual basis progress reports on the implementation of the NPoAs. The responsibility of ensuring that implementation takes place is left solely to the country and there is no independent verification or monitoring that takes place. Granted, this would require additional time and resources however it would assist in ensuring that countries are not merely reporting for the mere sake of reporting but that they are actively engaged in bringing about reform that improves the governance climate. The APRM lacks a comprehensive monitoring and evaluation framework that would be able to measure progress registered in improving governance and accelerating socio-economic development.[285]

[284]ibid., p. 290

[285]The CEO of the APRM Secretariat revealed, at the Fourth Ordinary Session of the Pan-African Parliament, on 19 May 2011during his presentation , that a monitoring and evaluation framework has been developed. However it still needs to be implemented.

Interrogation and application of Best Practices

The fact that through the APRM process Best Practices that are worthy of emulation are identified is a positive achievement. However, the extent to which these practices are seriously interrogated to see how they can advance the objectives of the APRM is lacking. Petlane notes that the by making the linkages between identified best practices and APRM objectives this can demonstrate to the continent and the global community that "Africa is able to reach and set good governance standards, which promote participatory democracy, competitiveness and efficiency of institutions, self-reliance, intra-African or South-South technical cooperation which are key to African-owned transformation and development".[286] The successful showcasing and application of Best Practices has the potential to demonstrate that the APRM is not about mere rhetoric but that it has the ability to bring about real change and improvement.

Structure and timing of meetings of the APR Forum

The timing and the manner in which the meetings of the APR Forum are held do not allow for sufficient time for the Heads of State and Government to hold meaningful discussions and reflect on the Country Review Reports and Progress Reports that are presented. Summits of the APR Forum are customarily held on the same day as the Summits of the NEPAD Heads of State and Government Orientation Committee (HSGOC). The APR Forum meets after the NEPAD HSGOC has met and the meetings are usually four hours long. However, within those four hours the APR Forum is expected to not only consider Country Review Reports and Progress Reports but to deal with administrative issues as well.[287] This current configuration of meetings of the APR Forum does not allow the Heads of State to sufficiently engage one another on the findings, challenges and recommendations of the reports. In a way, this then betrays the concept of peer-learning and peer-sharing.

RECOMMENDATIONS FOR THE WAY FORWARD

Thus far, this chapter has conducted a retrospective analysis of the APRM, reflecting on its main achievements and challenges encountered in its ten years of existence. The section which follows

[286]Petlane, T & Gruzd, S. *African Solutions: Best Practices from the APRM*. Fanele, 2011, p. 4
[287]See various Agendas of the APR Forum, these indicate that the APR Forum is always held in the afternoon after meetings of the NEPAD HSGOC.

proposes a set of recommendations that cover a wide variety of areas. The proposed recommendations could go a long way in addressing some of the challenges mentioned and strengthening the Mechanism thereby enabling it to fulfil its mandate and carry out its responsibilities efficiently and effectively.

Committee of Participating Heads of State and Government (APR Forum)

The APR Forum should consider taking the following actions:

- Reforming the configuration and timing of its meetings, so as to allow for sufficient time to reflect on the Review Reports as well as to deepen and enrich discussions on key governance issues. It would be more useful if the meetings of the APR Forum were held on a separate day from NEPAD HSGOC meetings.
- Insist on holding at least one extra-ordinary Summit a year in order to consider cross-cutting issues emanating from the Review Reports. These extra-ordinary sessions will be useful because they will provide a platform for Heads of State to hold in-depth discussions about issues of governance across all four thematic areas of the APRM. Furthermore, these sessions can also be designed to have concrete outcomes where continental strategies are devised to effectively address the cross-cutting issues which are common to most African countries.
- Reflect on the current financing model of the APRM and try to devise appropriate strategies that will ensure constant and sustainable funding for the APRM that will allow it to carry out its responsibilities effectively. Africa should be discouraged from being over-reliant on donor funding, the long-term solution to this challenge lies in the APRM being able to generate its own resources. Another source of funding, apart from member state contributions, could be through the contributions of multinational corporations (MNC) operating in Africa. The MNCs could be obliged to contribute a certain percentage of their profits to the APRM budget.[288]

[288]Ilorah R, "NEPAD: The Need and Obstacles" *African Development Review*, no. 16, 2004, p. 246

Committee of Focal Points

The APRM Committee of Focal Points was established with the purpose of providing oversight over the functioning of the APRM Secretariat. Therefore this Committee should consider the following:

- Reorganize the APRM Secretariat by developing an organisational structure that will allow the Secretariat to effectively provide the technical, coordinating and support services for the APRM.
- Deal with administrative issues that relate to the APRM, so that the APR Forum can concentrate solely on the discussion of substantive issues such as Peer Review Reports, during its Summits.

APR Panel of Eminent Persons

The APR Panel should consider taking the following actions:

- Designing and implementing a strategy or a framework that will monitor and evaluate the implementation of the NPoAs.
- Making the linkages between identified Best Practices and how they advance the objectives of the APRM.

APRM Secretariat

The APRM Secretariat should be encouraged to develop a strategy that will create greater awareness of the APRM on the continent and globally. The Secretariat, together with participating countries, should document and publicize the success of the APRM.

APRM participating countries

Countries that have undergone review should implement the recommendations of the APR Panel as well as the NPoAs. Furthermore, countries that are yet to be reviewed should make a conscious effort to ensure that the NPoAs are streamlined into existing development plans in order to avoid overlap with national initiatives and double costing of interventions. Countries

that have acceded to the APRM but are yet to be reviewed need to initiate the internal processes that will pave the way for the commencement of the Peer Review process.

Regional Economic Communities (RECs)

RECs also have a role to play in the APRM. They can encourage countries in their regions to accede to the APRM and also publicize the benefits of peer review. Added to this, RECs can also play the role of monitoring the implementation of the NPoAs in their respective regions.

African institutions

African institutions such as NEPAD, the AU, and the Pan-African Parliament should raise continental and global awareness about the APRM and the benefits of membership. These institutions should also be encouraged to disseminate the lessons, best practices and recommendations emanating from the review reports to all African countries, even those that have exercised their sovereign right not to join the Mechanism. The indiscriminate sharing of these lessons will have a positive impact on the continent as a whole. There should be a closer link between the practical implementation of the APRM and NEPAD. Once countries have been reviewed and have developed NPoAs, NEPAD should come on board to assist these countries in the coordination / implementation of some of the socio-economic aspects of the plans.

Conclusion

The APRM was established with the primary purpose of fostering the adoption of policies, standards and practices that will lead to political stability, high economic growth, sustainable development and accelerated regional and continental economic integration on the African continent. This chapter has highlighted the main achievements or the accomplishments of the APRM over the past ten years (2003-2013) in pursuit of the aforementioned purpose. It is evident that indeed the APRM has made considerable inroads in Africa. For the most part this is evidenced by the growing number of countries acceding to the Mechanism at each Summit of the APR Forum (it has also been shown that the governance quality of states has a minimal impact on a state's decision on whether to accede to the APRM). This development is indicative of the fact that more and more African countries are making the link between improving governance and development and they see the APRM as a vehicle that can positively impact on the

governance quality of participating states. Further to this, through the APRM, cross-cutting developmental issues common to most African countries have been identified. This is a valuable aspect of the APRM, because the identification of these common issues affords Africa the opportunity to develop a common approach to resolving some of these challenges. Also, the identification of Best Practices through the APRM brings to the fore some of the creative solutions that have been used by African states to overcome certain challenges. This is useful, because these solutions can be replicated in countries facing a similar set of challenges, thus re-enforcing the notion of peer-learning and peer-sharing. In addition, the APRM has spurred certain reforms in countries that have implemented the NPoAs as well as the recommendations of the Panel of Eminent Persons. This fifth chapter has also shown the APRM to have impressive diagnostic ability; this proves that the Mechanism can be used in Africa as an early-warning system or tool thereby allowing affected countries to take pre-emptive measures to avoid or to minimize possible crises.

This chapter has also reflected on some of the challenges (or weaknesses) encountered by the APRM in its practical implementation. Chief amongst these include the delayed or non-payment of annual contributions by participating countries and the poor synergies between the APRM NPoA and the national development plans/programmes of participating countries. The poor implementation of the respective NPoAs severely hampers the potential impact that the APRM could have on improving governance and creating a conducive environment for socio-economic development. Taking into account the identified challenges in the implementation of the APRM, this fifth chapter provided recommendations for the different APRM stakeholders namely, the APR Forum, APR Panel, APR Secretariat, Regional Economic Communities and African institutions.

Despite some of the bottlenecks encountered since the inception of the APRM in 2003, the Mechanism has succeeded in bringing to the fore issues of governance in Africa. The APRM has created a greater appetite amongst Africa's leaders for effectively tackling governance challenges. This is definitely a welcome change particularly when contrasted with the days of the OAU where countries were not expected to account for and address governance *faux pas*.

The final chapter (chapter six) that follows will provide a brief summary and conclusion to this study.

CHAPTER SIX

CONCLUSION

This study set out to conduct retrospective analysis of the African Peer Review Mechanism against the backdrop of the marking of one decade of the Mechanism since its inception in 2003. This study set about to identify the achievements and challenges of the APRM during the period 2003-2013. The aim of this was to provide proposals that would serve to strengthen the Mechanism's operations and better position it to effectively deliver on its mandate and purpose, which is generally to promote good governance in Africa, in pursuit of the objectives of NEPAD to place countries on a path towards sustainable growth and development. The first chapter thus provided an introduction to this study and as well as the rationale behind it (the tenth year anniversary of the APRM).

Chapter two of this study provided a review of the relevant literature on the subject of good governance and development with the aim to establish how the two variables of 'good governance' and 'development' could in any way be connected. The literature studied revealed that indeed there exists a positive correlation between the two variables. The literature review concluded that the main weaknesses found across the literature was that not enough research that provides reasons for a state's non accession to the APRM exists. This study fills this gap, by briefly identifying some of the reasons why some countries choose not to accede to the APRM such as strategic policy considerations and the ability to service the institution (found in Chapter five of this study). The second weakness identified was the connection between the governance quality of a state and its accession to the APRM. The governance quality of states was shown to have a minimal impact on a state's decision on whether to accede to the APRM (also found in Chapter five).

The third chapter provided a critical overview of Africa's post-colonial political economy. This section of the study focused on the post-colonial developmental challenges and the formation of the OAU as an instrument for the pursuit of socio-economic development in Africa. The third chapter laid the foundation for the fourth chapter which dealt with the transformation of the OAU to the AU and the emergence of NEPAD as a response to the global (and continental) shifts in development thinking. This chapter showed that towards the end of the 20th Century

issues related to the importance of good governance for development became even more pronounced. Informed by the realisation that development could not effectively take place in the absence of good governance, Africa's leaders initiated the APRM as the governance arm of NEPAD.

The fifth chapter provided an overview of the APRM, examining its mandate and purpose, its governance structures and the process of peer review. The chapter then diverted its focus to issues arising from the practical implementation of the APRM since 2003; here the achievements and challenges were laid out followed by recommendations for the various structures and stakeholders of the APRM. It is to be expected that any new initiative will experience teething problems. The APRM itself, as a relatively young institution, has encountered certain challenges. Chief amongst these is the poor implementation of the National Programmes of Action (NPoA) and the non-payment of annual contributions by participating countries. These two challenges will arguably have the most adverse impact on the APRM if not adequately addressed. The slow implementation of the NPoA inhibits the ability or the potential of the APRM to bring real change in reviewed countries. The non-payment of annual contributions hampers the APRM from effectively and timeously carrying out its mandate.

The APRM ought to be lauded for bringing to the fore issues of governance in Africa and encouraging the continent's leaders and its peoples to dialogue on the subject. The APRM celebrates its tenth year anniversary under the theme: **APRM working for the People's of Africa: A Decade of Self-assessment.**[289] This is indeed a fitting theme as it calls on Africa to conduct an assessment of the effectiveness (achievements and challenges) of the APRM over the past decade (2003-2013). This study has enriched and added to the scholarly work that will be produced in celebration of this unique, African self-monitoring mechanism.

This study has not been oblivious to the vast literature that seeks to negate the claim that good governance is the only fundamental prerequisite for development.[290] Various authors have produced studies that challenge the assertion that good governance, alone, is able to achieve high

[289] Communiqué issued at the end of the 18th Summit of the APR Forum in Addis Ababa, Ethiopia in January 2013

[290] For literature on the role of authoritarian and interventionist states in spurring development in Asian countries see: a) Wade, R, *Governing the Market: Economic Theory and the Role of the Government in East Asian Industrialization*, Princeton University Press, USA, 1990. b) Amsden, A, "The State and Taiwan's Economic *Development"*, in Evans, P (ed), Bringing the State Back In, Cambridge University Press, UK, 1985. c) Amsden, A, *Asia's Next giant, South Korean and Late Industrialization*, Oxford University Press, UK, 1991.

levels of economic growth and development. [291] These studies give a certain level of credibility to the school of thought that argues that even dictatorships / authoritarian regimes are able to generate commendable levels of economic growth. It cannot be denied that countries that have as a collective come to be referred to as the Asian Tigers (Hong Kong, South Korea, Singapore, China, Taiwan etc) began their economic development miracles under undemocratic regimes which did not necessarily exhibit all of the characteristics that are associated with the good governance agenda. Furthermore, there are countries that are credited with good governance, however their levels of economic growth and development are not encouraging when compared to countries such as those cited above. Given the inconclusive debate between the two schools of thought, the current study opted to place a higher premium on the correlation between good governance and development based on the available literature, studies as well as the African Union's and NEPAD's stance on the issue.

Areas for further research

The current study revealed that there are other areas within the scope of governance, development and the APRM that could form the basis of future studies. The first area relates to the task of comparing the development indices of countries prior to and after the APRM review process in order to concretely validate the correlation between good governance and development. Given the limited scope of the current project, it would not have been possible to adequately conduct this task. Further to this, it is important to note that even though the APRM has been in existence for a decade, all of the reviewed countries have not yet undergone second generation reviews; they are still in the process of completing their first NPoA cycle. [292] Therefore, more time is needed to ensure that the reforms that are being undertaken as informed by the APRM review process reflect in the development indicators /indices of countries. This therefore, could form the subject of future study once more countries have progressed to second generation reviews.

Secondly, the concept of good governance has continued to dominate the space in the international development agenda. External donors / development partners, specifically those

[291] Khan, H. State Failure in Developing Countries and Strategies of Institutional Reform, in Tungodden, Bertil, Stern, Kolstad (eds), 2004. & Gray, H & Khan, M, Good Governance and Growth in Africa: What can we learn from Tanzania?

[292] To date only Ghana and Kenya are moving towards second generation reviews.

from the West have relied on governance performance indicators for allocating Overseas Development Assistance to Africa, based on the conviction that the efficient and successful use of financial aid is dependent on a good policy environment.[293] Traditionally, most of Africa's inward aid flows have come from countries in the West where the disbursement of aid and development assistance has been linked to how well the recipient countries perform in the areas of promoting good governance so as to ensure that the resources received are utilised effectively in a good policy environment.

In the recent past, Africa has increased its cooperation and interaction with new and emerging development partners such as China, India and Russia in the areas of aid, trade, foreign direct investment and other areas of development assistance. The emergence of these new players on the development cooperation scene offers Africa more options for growth and provides real opportunities for development in African countries. However, these new players do not necessarily place a high premium on issues of good governance as a necessary precondition to receive aid /development assistance. Therefore, despite the new opportunities offered by these new development partners, this may have certain implications for the implementation of the APRM, as a tool geared at improving good governance. In terms of future study, it may be a worthwhile undertaking to explore the implications of the entry of new development partners (particularly those from the East) in Africa on the implementation of NEPAD and the APRM given that these institutions (NEPAD and the APRM) consider good governance to be a vital prerequisite for development. Questions that would be worth asking are: What does the rise of China, Russia, and India mean for NEPAD/APRM and their focus on good governance? What are the implications for Africa's development agenda if the continent's new partners for development do not share or push for an agenda largely anchored on neoliberal rationality?

[293] Burnside, C. & D Dollar "Aid, Policies, and Growth", World Bank Policy Research Working Paper Series, No. 1777, World Bank: Washington DC. 1997.

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