

DEVELOPMENT INITIATIVES AND GLOBAL GOVERNANCE: A CONTINENTAL PERSPECTIVE

J.O. Kuye
*School of Public Management and Administration
University of Pretoria*

U. Kakumba
*School of Public Management and Administration
University of Pretoria*

ABSTRACT

This article makes a critical survey of the literature and provides an analysis on the emerging issues that underpin governance imperatives in Africa under the different administrative and paradigmatic settings. The article further provokes an informative debate on the examination of governance dilemmas at nation-state level and corporate level dimensions before analysing the global governance trends spearheaded, especially under the aegis of the global economic multilaterals (GEMs), in the wake of good *governance* pursuit. It is argued that the governance gaps in the developing world have exacerbated the tentacles of the global governance in the socio-economic and politico-administrative spheres, while the recent partnership schemes between Africa and the G8 promises to ameliorate the state-of-affairs, but with a surge of encumbrances. While the demonstrated benefits in the partnership and debt relief should filter through to the vulnerable grassroots, there is a perception that there is a dire need to make the concept of good governance less overwhelming to poor countries.

INTRODUCTION

Ideally, the notion of governance continues to capture robust attention in the wider development and academic discourse, owing to the predicament of several poor states, especially in Africa. As such, the emphasis on *good governance* continues to capture a generous attention in a wider socio-economic and political spectrum of policies and

decisions, both at national and international level. While there are several positions on what entails *good governance*, there are common denominators that explain the term.

Popularised by the 1989 World Bank Report, *Sub-Saharan Africa: From crisis to sustainable growth*, good governance became an icon to stress; guaranteeing human rights, check corruption and promote democratisation as well as accountability. The World Bank identifies six dimensions of governance indicators including voice and accountability, political stability and absence of violence, government effectiveness, regulatory quality, the rule of law and control of corruption (World Bank, 2003). The UNDP (1994) has identified the seven features of sound (good) governance; legitimacy established through rule-based opportunities for changing government in an orderly and predictable manner, freedom of association and participation; fair and effective legal frameworks accountability of public office; and service and transparent processes; availability of valid and reliable information, efficient and effective public sector management and co-operation between government and civil society (Nsibambi, 1998:4).

The global coalition for Africa considers the following as the generic ingredients of *good governance*. Constitutionalism and human rights, predictability of the law/primacy of legality, responsible government/transparency, coherence of Administrative Institutions openness/tolerance of and favourable climate for the private sector. Generally, *good governance* involves reforms geared towards increase of accountability, transparency and responsiveness; to make the policy process more effective (more rational and equitable) for optimisation of service delivery (Brinkerhoff, 2005:194).

Governance is generally used in development circles to refer to the manner in which power and resources are used towards the realisation of developmental objectives (Nsubuga, 2004). It could therefore be good or bad governance. In another vein, governance has extended from its traditional government action of utilising power to enforce societal compliance, to now focus on addressing developmental roles by the different segments of socio-economic and political forces. The role of citizens and the way social groups organise to make and implement decisions affecting their well being are core governance activities. This means that, governance is not a preserve of the state or the wielders of state power for that matter, but rather, a partnership between the leaders and the led to promote the entire society's well-being.

Following the rise of the neo-liberal ideals of extending the public choice, while rolling back the frontiers of the state in the socio-economic spheres of public life, the dimensions of governance have been continuously altered. Elsewhere on the African continent, neo-liberal reforms like privatisation, decentralisation, and deregulation have promoted the private sector-governance initiative, with business corporations exerting more influence than ever before. Corporations, especially the Trans-national corporations (TNCs) continue to affect a substantial share of domestic livelihoods in the wake of globalisation, and as such they influence governance perspectives in their host countries. These constitute emerging issues on corporate governance.

As Africa's poor countries rethink their governance and development lapses, the African Union (AU) through its New Partnership for Africa's Development (NEPAD) has sought to tackle those gaps in a typical African-self conceived framework, by forging new

forms of international co-operation in which the benefits of globalisation can be more evenly shared (NEPAD, 2002). The AU's leading partners today are arguably the G8, whose summit at Kananaskis, Canada in 2002 approved the African Action Plan (AAP) with some comprehensive package to deal with the obstacles of development. In 2005, at the G8 Gleneagles summit, the AAP joint review report was unveiled, highlighting positive strides so far made, but with some negative experiences. However, before articulating a detailed account on the AU and partnership development initiatives, it is necessary to engage in an exposition of governance perspectives.

GOVERNANCE PERSPECTIVES

The notion of governance represents different perspectives in different spheres, including but not restricted to the national, corporate and international - fondly known as global governance. The nation-state governance represents the traditional sovereign polity that largely determines its own policies and ways of utilising power and resources in its territorial entity. It characterises the use of coercive means in the form of the army and police as major instruments of governance, and emphasises the internal role played by its own organs like the executive, judiciary and legislature in governing a state rather than pursuing foreign driven agendas. However, given the authoritarian tradition of nation-states in Africa, the quality of such institutions has been undermined as they are used to sustain dictatorial regimes as opposed to serving the wider public interest. The ensuing anarchy and devastation has given rise to liberal ideas, and currently, governance under a nation-state is under intense pressure to change and promote the larger societal interest in a democratic and accountable manner. This has led to the notion of *good governance* which is widely acknowledged as an imperative to sustainable growth and development.

The *nation-state governance* tentacles have continued to shrink in view of the rising influence of the key global economic institutions like the International Monetary Fund (IMF), the World Bank and the World Trade Organisation (WTO) representing a form of supranational governance. These global economic multilaterals (GEMs), especially the IMF and World Bank influence national policies and often exercise surveillance over national macroeconomic performance as well as direct intervention in the economies under *corrective action*. The GEMs are in this view seen as a system of *global governance*.

When analysing the essentials of power and influence associated with the global multilaterals in the context of governance, two important schools of thought come to mind. One school - dubbed the rightists, downplay the idea of a global polity hewing out the hegemony of a nation-state. They agree that whereas the GEMs exercise institutional influence over national economies (especially when such economies are in crises and intervention is often inevitable), this would not merit global governance. The second school are the proponents of an emerging global polity, who criticise the GEMs for undermining the very principles they advocate. Their major criticism has resounded through the anti-globalisation ranks, accusing the GEMs of lack of accountability and

violating democratic precepts (Kahler, 2005:8). In this regard, the GEMs can be viewed as operating under versions/criteria of governance different from the doctrines they propagate, elsewhere to the weak nation states.

The rising power and influence of transnational corporations (TNCs) also give rise to a form of governance – *corporate governance*. Traditionally, in Africa and elsewhere in poor countries, TNCs faced protests from social and political groups through the anti-corporate activism, since they were seen as agents of a neo-colonial project, aimed at exploiting national resources and interfering in the political process of the newly independent states (Koenig-Archibugi, 2005:110). Thus the successive governments after independence subjected them to hard legal restrictions.

Over the last two decades however, this position has changed, owing to the essentials of globalisation and the view that foreign direct investment (FDI) inflow contributes to long-term economic growth, and seen as essential to the development process. It should be noted however, that ordinarily corporations should be accountable to the public, under the enunciated principle of *corporate social responsibility* and since they are not natural entities, they should ordinarily be governed by standards that promote the public interest. As noted, the governance trends continue to shift under different administrative settings and corporate governance is no exception. Keohane (2003) emphasises that with globalisation, it is more difficult for national governments to hold corporations accountable than in the past, and the danger in this, as Koenig-Archibugi, (2005:111) puts it is that; “because of their often huge economic clout and their capacity for global mobility, corporations are widely perceived as capable of evading public control and getting away with behaviour that harms employees, consumers, vulnerable communities or the environment”.

The dilemma of corporate governance in developing countries has been aggravated due to the weak nature of the state and deteriorating levels of governance. Both domestic corporations and TNCs have fostered their selfish interests, while cultivating on this gap. The widespread corruptive tendencies and collusion between the state agencies and corporations the latter’s accountability obligations to the public. It is not uncommon to find corporations providing campaign money to governments as a way of *scratching their backs* for favours after the elections.

In Nigeria, the Human Rights Watch Report (1999) made Shell come under intense pressure to review its collaboration with the Nigerian government after being implicated in severe human rights abuses linked to its use of Nigeria’s oil resources (Koenig-Archibugi, 2005:117). Such activity of the state and its collusive tendencies preclude the citizenry from the benefits of these corporations and undermines their corporate social responsibility. In Uganda, top officials in government colluded with Malaysia-based Company, Westmont Land BHD Asia as an alibi, using money illegally borrowed from a local Bank to pay \$11 million in total and an additional \$2 million annually to clandestinely buying the government owned Uganda Commercial Bank Limited (UCBL), which was under privatisation (*The Monitor Publications Newspaper*, May 16, 2006). In a few months, the bank was insolvent to the tune of Shs16,3 billion (approximately US\$9 million) and the Shs118 billion that the government had used to re-capitalise it

was wiped out in a flicker of time. Then the government intervened, but had to pay another, Shs11 billion in court arbitration costs (*The Monitor Publications Newspaper*, May 16, 2006).

The other gap responsible for loosening the grip on corporate governance has been the regulatory competition. Given the ability of TNCs to choose where to invest their capital, governments have had to offer them such incentives as; tax holidays, lowering social, environmental standards and regulations as to woo them to invest. Such undertakings have impaired the governance relationship between governments and corporations as the former refrains from apprehending the latter for fear that the latter will move to another jurisdiction (Koenig-Archibugi, 2005).

DILEMMA OF NATION-STATE GOVERNANCE IN AFRICA

With less than ten years to meet the 2015 date-line of the Millennium Goals declared at the Millennium summit in 2000, Africa still remains the only continent off the track of achieving any. Poverty remains a cross-cutting issue to many countries described as poor in the world, a large number of which are found in Africa. According to the United Nations (UN) review of progress against the Millennium Goals, over two thousand children under the age of five die every day from malaria in Africa; 2,3 million people died in 2004 from AIDS; over 250 million do not have access to safe drinking water; and over 40 million children are still not in school (UNDP Report, 2005).

Poverty and pathetic living conditions have made African states fragile and have created fertile grounds for hostility and conflict. Military conflict has aggravated violence and insecurity to become the biggest obstacles to development in Africa. In many instances, it has degenerated into crime and lawlessness which in turn severely inhibits investment. The effects of conflict in countries such as the Democratic Republic of Congo, Sudan, Burundi, Somalia, Sierra Leone, Liberia and Uganda have been devastating, leaving thousands of people dying, and millions displaced (UNDP Report, 2005:151-163).

The picture portrayed in Grindle (2004:526) suitably describes the nature of most poor countries.

“Almost by definition their institutions are weak, vulnerable, and very imperfect; their decision-making spaces are constricted by presence of many international actors with multiple priorities, their public organisations are bereft of resources and are usually badly managed; those who work for government are generally poorly trained and motivated. Frequently, the legitimacy of poor country governments is questionable; their leadership may be venal and their commitments towards change undermined by political discord; their civil societies may be disenfranchised, deeply divided and ill-equipped to effectively participate”.

There is no doubt, amidst such milieus, getting a country on to the development path can be daunting, even to the most committed of reformists.

The dilemma of poor countries in Africa has not only been the low capacity in fulfilling their good governance mandates, but most of their governments are also captured by corrupt elites with a poor history of non-fulfilment of their promises, lacking legitimacy in the eyes of their citizenry; while many, like Grindle (2004:539) stresses, are locked in conflicts that consume their energies and resources. Such conditions imply that many countries cannot easily pass the test of good governance. Yet the good governance agenda constitutes a major pre-condition for financial aid and debt relief from the rich countries and international financial institutions. Financial aid and debt relief are crucial initial inertia for poverty reduction and growth, and poor countries can not do away with them, in their quest for sustainable development.

It should be noted that some important progress has been made. In the past five years, more than two thirds of sub-Saharan African countries have had successful elections and peaceful change of government. Elections have taken place in Liberia, Tanzania, Burundi, Mozambique, Namibia, Ghana, Malawi, Rwanda, among others. The African Development Bank (ADB) Report, 2005 indicates that the region's GDP growth rate in 2004 averaged 5,1%, which was far above the average of 3,7% for the previous five years, and markedly, the highest growth rate recorded for the continent since 1996 (ADB Report, 2005:2). This also showed that 14 countries exceeded 5% growth, (up from 10 in 2002) and 13 were growing at a rate of between 3 and 5%. With relative peace in many countries compared to a decade ago, growth has brought rapid poverty reduction. In Mozambique for example, the number of people living below the poverty line was reduced from 69% in 1997 to 54% in 2003 (G8-Gleneagles Report, 2005:13).

As noted earlier, the AU through NEPAD has spearheaded the promotion of good governance, peace and security and economic development initiatives. Already, 23 African countries have acceded to the memorandum, to have their progress reviewed by their peers under the African Peer Review Mechanism (APRM). The APRM process entail periodic reviews of policies and practices of participating states in respect of their compliance with agreed political, economic and corporate governance values, with the aim of enhancing mutual accountability and best practices, geared at promoting political stability and economic growth (NEPAD, 2002; Mukamunana and Kuye, 2005). Citizen participation in governance and development has been enhanced by the APRM process, where the participating countries have had to enlist all stakeholders' representatives, consisting of government officials, parliamentarians, opposition members, business community, women and youth groups, and other community-based organisations (CSOs) (Mukamunana and Kuye, 2005:593). The CSOs have accelerated citizen participation under the APRM arrangement whose framework mandates seminars, conferences to deliberate on issues of governance and development process on the continent. Cases of effective NGO participation have been registered in Ghana, Rwanda and Kenya, among others where APRM are taking strong roots (Mukamunana and Kuye, 2005:593)

The role of the media in promoting good governance manifests in form of increased awareness, transparency and civic competence steadily improving. Through the media and information technology (IT), cases of human rights abuses, corruption and mismanagement of public resources have been exposed. In Egypt, the online newspapers

have made strides against human rights abuses and the use of IT have assisted to address the marginalisation of the minority Christian Copts by creating international awareness on their plight (Brinkerhoff, 2005). Such exposure has the potential to improve the functioning of the state by promoting transparency and responsiveness.

Nonetheless, several of Africa's own initiatives under the umbrella of the AU are still encumbered by a multitude of crises. For example, in spite of the seemingly progressive idea of a peer review, only 23 countries (which is less than half), have acceded to the APRM memorandum, suggesting serious ideological and commitment problems. Similarly, the voluntarism in participation by the AU member states in the APRM raises questions on the AU's mutual development agenda. Indeed African leaders agreed in a new print for Africa's development that good political governance and sound economic management are crucial for sustainable development. As Mukamunana and Kuye (2005: 596) have put it, why then, with all that emblematic commitment and political will, did they decide to make APRM voluntary? It seems as though, an enforcement shift would come in handy to deal with this. But given the notion of respecting *national sovereignty*, compliance may still be out of reach.

It should be mentioned that, notwithstanding, the debatable levels of effective participation, arising out of the questionable capacities and independence of the different social groups involved in the evaluation process, the APRM has set the stage for yet, an important process of dialogue and partnership towards good governance (Mukamunana and Kuye, 2005:594).

DEMOCRATIC GOVERNANCE AT GLOBAL LEVEL

One of the daunting challenges of the multilateral system today, especially, under the auspices of the UN and its associated agencies, is how to provide a framework in which the voices of weaker members can carry weight. At global level, governance takes a rather different tone, especially when it comes to issues involving the rich and the poor countries. Financial supremacy is reflected in the power relations and largely determines the wave of decisions made at the international forum, at the expense of the would-be multilateral democratic dispensation. The much drummed up virtues of democracy as an ideal of good governance crumbles when it comes to economic issues.

The likes of Miles Kahler (2005), Fiona McGillivray (2000) and others, who belong to the sceptics, do not believe that globalisation has produced a global state in the making and do not view the GEMs as a proto-polity or fully-fledged system of global governance. McGillivray argues that, "institutions like the WTO are not about global governance, but rather, it's about trade; and as such it's simply a set of rules about multinational negotiations and dispute settlement" (Kahler, 2005:11). The group argues that democratic governance is not the appropriate benchmark for these institutions, but rather, they should be seen as specialised regulated agencies that exercise considerable delegated authority without direct democratic control.

Be that as it may, the fact remains that the nation-state's hegemony in governance perspective (as viewed in classic sense) has been besieged by the GEMs and the wave

of globalisation. In developing countries (which are 'christened' weak states), global governance replica institutions continue to stipulate governance tools with prescriptions that are sometimes at the expense of national interests.

While opening up national borders to infuse new policies, subject local culture for scrutiny by other social forces and the like, wouldn't be bad *per se*, since it enhances economic openness, accountability and opportunity for better practices - necessary for good governance. The problem however, is that, nation-states are subjected to several trial-and-error frameworks, beyond their socio-economic stature and inconsistent with their development needs. Institutions like central banks have lost their commanding roles and national character, only to be reduced to regulatory agencies representing a macroeconomic continuum of the GEMs. It has not been uncommon to find teams of personnel - dubbed *technical teams* permanently attached to central banks, elsewhere in developing countries.

One may argue that, in public administration terms, central banks have ceased carrying out the classic mandate of delegated authority where, as public institutions, they would be expected to take actions in the name of the *public*, in respect of *public interest* and give satisfactory explanation/accountability to the *public*- the tax payers. They have become largely *insulated* from the political control under the legislature.

The central bank in Uganda for example, in February, 2002 disregarded a resolution by the national Parliament and went ahead to sell Uganda Commercial Bank Limited (UCBL) to Standard Bank Investment Corporation (Stanbic) under yet, another controversial sale. It is important to note that prior to the sale, UCBL had fully recovered from its financial troubles, fully returning to profitability (*The Daily Monitor* Tuesday May 16, 2006). A business valuation done by KPMG (Kenya) valued UCBL at between Shs45 billion and Shs60 billion. Using average estimates the value of UCBL should have been Shs51, 25 billion (\$28,472 million). Accordingly therefore, 80 percent should have cost at least \$22, 7 million (Shs40, 8 billion), \$3, 2 million (Shs5, 7 billion) less than what Stanbic paid for it. Early March 2006, the World Bank, initiator and probably the biggest funder of Uganda's privatisation programme announced withdrawal of technical assistance to the privatisation programme, citing political interference, lack of transparency and the sluggish pace of disposal of public assets (*The Daily Monitor* Tuesday May 16, 2006).

The clustered decision-making by the GEMs have been criticized, just as their accountability to governments of member states have been repeatedly questioned. Although the IMF has spearheaded the crusade for transparency in developing countries since the economic crises of the 1990s, the critics argue that it has not observed similar standards in its activities and decisions. The anti-globalisation, rightly aver that the GEMs are associated with international bureaucrats, under whose whims, a swing over a wider range of national policies is exercised. They are also seen as rogues - agencies fostering their ideological agenda rather than the legitimate ends of societies on whose behalf they seek to intervene, especially in the developing world.

The other shortcoming of this global governance is that the GEMs are largely influenced by the powerful blocks like the EU, the G8, OECD and other industrialised countries, owing to their larger quotas and vantage point. Like Kahler (2005:12) rightly

puts it, the demand by developing countries for decision-making closer to *one country, one vote* would not reduce the influence of the rich states, since, if the global institutions fail to serve their purposes, they can exercise threats to exit and form their own clubs such as the G8.

Whereas the prevailing rule under WTO is one country one vote, whereupon decisions can be said to be more democratic, in practice the outcomes are shaped by the strength of the negotiating teams, which trend favours mostly the powerful developed countries. Owing to structural and financial incapability, many developing countries who are members have not managed to have permanent representatives at WTO. Where the European Union (EU) for example, has the capacity to maintain 140 staff to make its case in WTO negotiations, a least developed country on average has a size of two professional staff at the WTO mission (UNDP, 2005:146).

For many years the controversial agricultural and trade policies that have undermined Africa's progress in a sector where it enjoys comparative advantage have continued to blossom, in spite of several international negotiations and protocols calling for their adjustment. This explains why the EU and United states continue to offer agricultural subsidies to their farmers, which translate into high output, fewer imports and more exports that frustrate developing countries' agricultural trade. The EU under the Common Agricultural Policy (CAP) has arranged to provide US\$ 51 billion to support producers, while the US Department of Agriculture had earmarked US\$ 4,7 billion to only 20 000 cotton farmers in 2005 (UNDP, 2005: 130-131). In the Uruguay Round, developing countries, despite being the majority, were unsuccessful in extending WTO's rules, and as a result the EU and USA farm subsidy programmes remained intact.

While the WTO provisions allow developing countries to refrain from endorsing policies that do not meet their economic stature and development needs, in practice these countries' hands become tied when they cannot refrain from seeking development assistance from the rich countries. It is therefore, not uncommon to find poor countries succumbing to pressures to liberalise their imports at rates incompatible with their development priorities.

AFRICAN PARTNERSHIPS, THE G8 AND IMPERATIVES OF GOOD GOVERNANCE

Since the 1990s, the G8 summits have become a major target by the poor countries to get their issues on the agenda in a bid to find considerable bargaining power to promote their development objectives. The renewed AU partnership with development agencies continue to rekindle positive trends, which had hitherto eluded the continent. At Gleneagles, in 2005, the G8 reviewed a progress report on the African Action Plan (AAP) which they had earlier approved for support during the 2002, G8 summit at Kananaskis, Canada. The AAP bears a vision for Africa's development and has been earmarked for partnership engagement of partnership between the G8 and African countries.

Adherence to the ideals of good governance has been a major condition for partnership and support from several development partners toward Africa's development initiatives.

The G8 countries promised to enhance support if African countries improved in respect of compliance to the principles of good governance, including democratic and economic reform, as well as social investment under the NEPAD-APRM scheme (Mukamunana and Kuye, 2005: 594; G8-Gleneagles Report, 2005:5). Support measures geared towards good governance, accountability, peace and stability, private sector initiative, are seen as vital ingredients in promoting the millennium development goals.

Debt relief

The G8 countries have remained influential in helping progress on debt relief to the poor countries. At Evian summit in 2003, it was reported that 22 of the poorest countries in Africa had benefited from US\$32 billion in debt relief under the Heavily Indebted Poor Countries (HIPC) initiative. Subsequent to the Evian Summit, seven African countries including; Niger, Senegal, Ethiopia, Ghana, Madagascar, Rwanda and Zambia completed the HIPC Initiative, which allowed them an irrevocable debt reduction. Several individual members of the G8 have provided HIPC with up to 100% relief on bilateral debt terms. Niger, Ethiopia and Rwanda have also received an extensive top-up in order to bring their debts back down to the HIPC threshold. Providing debt relief has been instrumental in boosting the HIPC percentage of revenue utilised on poverty reduction programmes, in the participating African countries from 38, 6% in 1999 to an estimated 48,9% in 2005 (G8-Gleneagles Report, 2005:22). Debt relief measures have contributed to a decline in the Continent's debt service ratio, which reached 11,8% in 2004, the lowest in two decades (ADB Report, 2005).

In June 2005, the G8 Finance Ministers proposed that development partners agree to complete the process of debt relief for the HIPC, which would lead to 100% debt cancellation of outstanding obligations of HIPC to the IMF, International Development Association and African Development Fund. The ministers also struck out a deal to cancel debts worth \$40 billion owed by 18 HIPC, where 14 African countries; Benin, Burkina Faso, Ethiopia, Ghana, Madagascar, Mali, Mauritania, Mozambique, Niger, Rwanda, Tanzania, Uganda and Zambia benefited (G8 Gleneagles Report, 2005: 22; Mukamunana and Kuye, 2005:594).

Peace, security and stability

Given that violent conflict and insecurity are among the leading impediments to development in Africa, the G8 at Gleneagles restated their earlier commitment made at the Sea Island- 2004 meeting, to train and, where appropriate equip, some 75 000 troops by 2010 to take part in peace support operations worldwide, with a sustained focus on Africa. In the past, the G8 countries have provided over US\$200 million to support the AU mission in Sudan (Darfur), just as they did for the UN mission in Sudan for brokering peace in southern Sudan (G8-Gleneagles Report, 2005). Other initiatives involve the sub-regional peace and security institutions such as ECOWAS, the East African Community (EAC), the South African Development Community (SADC) and the Economic Community

of Central African States (ECCAS) to particularly strengthen expertise, equipment, training, logistics and finance (G8-Gleneagles Report, 2005).

Private Sector Initiative

The G8 member countries pledged to continue offering support towards the improvement of the environment for private sector investment in Africa. Some of the programmes earmarked to encourage investment include; the *OECD/NEPAD Investment Initiative*, *Investment for Development Project* and Middle East and North Africa/OECD Initiatives. There is regional support to the Common Market for Eastern and Southern Africa (COMESA) and SADC to enable them to undertake initiatives in areas such as competition policy, as well as public-private initiative (G8-Gleneagles Report, 2005: 14).

Strengthening institutional capacity

At regional level, the G8 members support international and African organisations such as the African Capacity Building Foundation (ACBF) and the African Regional Technical Assistance Centres (AFRITAC) initiative of the IMF to strengthen capacity building for macroeconomic development. Research on economics, governance, trade and gender issues have been promoted through the United Nations Economic Commission for Africa (ECA) and other African institutions like, the African Economic Research Consortium (AERC). The G8 and OECD member countries have pledged to increase support towards public sector reform and public finance development. Key areas for support include; judicial sectors, policing, electoral commissions, democratisation and promotion of human rights, transparency and accountability, civil society initiatives, among others (G8-Gleneagles Report, 2005). Nonetheless, despite the several positive strides made under the aegis of African partnership with the G8, a torrent of bottlenecks still threaten the achievement of the objectives of the AAP and other initiatives of good governance and development in Africa. These extend from the ideological to structural limitations arising out of the partnership and the nature of conditions existing in Africa.

Partnership and governance challenges

Just like other forms of development assistance, eligibility for debt relief from the outstanding obligations of HIPC to the IMF, World Bank and the African Development is also based on proof of compliance to an outline of reforms. In terms of governance, the HIPC have to consider an array of characteristics consistent with good governance. The problem however, is that good governance necessities have turned out to be unrealistically long and complicated.

Firstly, the agenda issues continue to expand from time to time, possibly due to the many stakes and players in its advocacy. The agenda carries different versions as to the number of stakeholders, ranging from international financial institutions, a variety of donors, intellectuals, NGOs and other CSOs, among others. With the issues becoming too

many and multifaceted, the agenda becomes problematic, since it calls for improvements in virtually all aspects of the public life (Grindle, 2005:525). This complicates the achievement, since ordinarily efforts are more beneficial in a focussed way.

Secondly, as Grindle (2005:530) argues, the agenda for good governance does not set priorities or define consequences; doesn't clarify on activities that may be easier to undertake or those that are circumstantially difficult doesn't illuminate those that can be achieved in short term or long term; neither, does it, separate an ideal set of good governance from one that is *good enough*.

The *third* challenge is that the G8 has not translated commitments more quickly into action, to take more practical steps to improve aid effectiveness and co-ordination, and reduce the burden of separate conditionalities, processes and requirements. Problems have ranged from delayed, insufficient and divided disbursements of aid monies. As a result, aid has become unpredictable and as such the African ownership of most of these development priorities is put to serious questioning.

While large amounts of money continue to come into Africa under the AU-G8 partnership, the efforts are largely undermined by the inconsistent international trade policies anchored by the same developed countries to Africa's detriment. Sub-Saharan Africa demonstrates how losses from trade can outweigh the benefits associated with aid and debt relief. It is appalling, for example, to learn that the share of world exports of sub-Saharan Africa with 689 million people is less than one-half that of Belgium with only 10 million people (UNDP, 2005:117). This means that much of the aid assistance received is neutralised by policy inconsistencies such as the agriculture subsidies to farmers in developed countries.

A *fourth* challenge has to do with post mortem kind of action, approaching crisis when big magnitude of damage has already been done. This has much to do with reaction to conflicts and disasters, as the experience in Darfur and DRC have shown. The heads of state summit at Gleneagles acknowledged that more often; the responses to conflict in Africa had been unnecessarily reactive and focused on the large-scale crises with limited attention to sub-national conflicts. Yet, even at lower local levels, many poor people were continuing to face unrelenting insecurity and conflict arising out of dictatorships, social exclusion and inequality, among other issues that have aggravated this menace.

The *fifth* challenge problem is that a big chunk of this development assistance ends up in form of technical assistance and capacity building, where the donor teams fully participate to reclaim a bigger share of the spoils. This leaves the other components of the development budget either weakened, under facilitated or unattended to. In this regard, projects have had to stop for sometime after take-off, when a major share of their budgets are utilised in earlier stages, in the name of capacity building and technical consultation. For example, a G8 member, Japan proposed the *enhanced private sector assistance* for Africa (EPSA) with the African Development Bank, involving a loan facility of up to US\$1 billion and a trust fund of US\$200 million for over five years, to which it would contribute 20%, mainly for technical assistance and capacity building (G8-Gleneagles Report, 2005:14). With 20% covered in technical assistance and capacity building, this may leave uncertainty on where the remaining balance is supposed come from.

It should also be noted that countries are at different levels of development and have unique characteristics, whereupon, a uniform agenda may not yield the same result. For example, countries that have had recent experiences of political instability and armed conflict, like the Democratic Republic of Congo, Burundi, Sierra Leone, Somalia and Sudan, may not easily yield to issues of institutional reform e.g. financial or efficiency accountability, transparency, the same way as countries like South Africa, Botswana, Mauritius, Ghana that have had considerable political stability and economic recovery through their rather, robust institutions.

While there is a need for investment and creating more jobs under the private sector initiative, the problem is that, the highly billed private sector is mainly composed of multi-national and transnational corporations, which many a times represent other capital interests that are alien to the needs of their hosting nations. Similarly, the foreign led private sector and indeed, the indigenous ones have been largely reluctant to invest in health and education, yet, this human development capacity is critical for improving governance. It therefore, remains a challenge as to how these mutually-reinforcing limitations should accelerate the self-sustaining growth of Africa and end aid dependency in the long term, as the G8 sounded to believe at Gleneagles.

CONCLUSION

This article has demonstrated that governance carries different perspectives under different administrative settings. The traditional nation-state, especially in Africa has continued to weaken in the wake of the global governance system under multilateralism, creating more scenarios for the GEMs' continued influence under *corrective* action. Given the rising trend of FDI and the crucial role of TNCs in national economies, governments are unable to fully hold corporations accountable, owing to the latter's often large capital assets, their global mobility, as well as their collusive tendencies with sitting governments. These tend to preclude the citizens in favour of business corporations.

The renewed partnership between Africa and the global multilaterals demonstrate some foundation of mutual dialogue and benefits, upon which Africa stands to overcome the initial inertia of development stagnation. In particular the AU's AAP, which was unveiled under total support from the G8, bears the NEPAD's vision with remarkable achievements. In particular, the G8 support towards debt relief under the HIPC has contributed to a decline in Africa's debt service ratio and has been instrumental in boosting the percentage of revenue utilised on poverty reduction programmes in the participating African countries.

Nonetheless, there is need to make good governance less overwhelming to poor countries, by clarifying on the short and long-term issues and make priorities based on a country-based condition and feasibility, but without compromising the strategic objective of sustainable development. While the decisions at WTO may be said to represent the principle of one country one vote, in practice, outcomes are shaped by strength of negotiating teams, where upon poor countries are held back by the powerful blocks like the EU with capacity to maintain larger numbers of permanent staff in Geneva.

Likewise, there is need for more commitment on the side of development partners to curtail on the non-fulfilment of promises, as the case remains with several issues of 2001, the Doha Round of WTO. Same commitment is required to implement the proposals of the United Kingdom's sponsored Commission for Africa, which were largely endorsed by the G8 at Gleneagles. There is a need to weigh and regenerate the cost-benefit in real terms, of the aid components that relate to capacity building and technical assistance to developing countries. The rich countries' subsidies to their local farmers must also be limited otherwise, the impact on aid and debt relief to Africa will be weighed down significantly.

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