Dear Senator Lugar

- 1. I am sending this letter as my written submission to the Senate Foreign Relations Committee hearing on the Commission for Africa on 17 May.
- 2. First, let me begin by thanking you for the opportunity to appear before the Committee. It is an experience I look forward to. The support of the United States is vital to development in Africa, and for the successful implementation of the Commission for Africa's recommendations.
- 3. The Committee have already received copies of the report and briefing materials on its contents. So rather than recapitulating its contents in detail, I wanted to focus my written comments on why there is a need for urgent action, and what I expect the results of successful implementation would be from my own experience.
- 4. I and most Africans in my generation believe that Africa's growth and development are first and foremost an issue for Africans. External assistance must complement a movement from inside Africa on governance, on preventing and resolving conflicts, and on developing the policies that will achieve development and growth. Because of the nature and the mandate of the Commission, we have focused our recommendations on what the international community can do. The primary responsibility for Africa's development remains with Africans and African institutions such as the African Union and NEPAD.
- 5. We present a comprehensive package, which includes governance, peace and security, health and education, growth and infrastructure, trade, aid effectiveness, and making international institutions fairer and more effective.

Why Africa?

- 6. There are many arguments for why Africa needs action on these issues. Many cite the moral reasons and also the developed world's self-interest, relating to the global threats created by the failure to check the spread of disease and conflict in Africa.
- 7. But for me, the real message is one of fairness and opportunity. Contrary to popular perception, Africa already presents many opportunities. Many African economies are growing. Many international businesses have seen the opportunities presented by Africa, and are making profits there. A recent study commissioned by Vodafone shows that Africa is the fastest growing mobile phone market in the world increasing by 1000 per cent in the past five years. International companies make profits from growing markets and opportunities in Africa, create employment in Africa, and build their businesses on the expertise of their African workforces.
- 8. To allow the kind of growth that will allow Africans to find their way out of poverty, Africa needs a level playing field. This means reform to eliminate agricultural subsidies, and other trade barriers. Also, Africans must be empowered to find their

own solutions to their own problems, which means democracy (to guarantee basic human rights), market economies which will attract foreign direct investment and create jobs, education (which will allow them to identify and seize opportunities), and rule of law and peace and security, which will allow them to enjoy the fruit of their efforts. All governments know civil unrest and crime are serious risks when people do not have opportunities and employment – and this goes particularly for the young.

9. The international community – particularly G8 countries – have the opportunity to build on the positive political and economic developments. If we do not act now, then the opportunities for long-term change could be squandered.

What do we want to achieve?

- 10. The Commission makes ambitious recommendations about how to create this level playing field, how to ensure Africa has the capacity to take advantage of greater opportunity, and how to check those factors that threaten to hamper progress, such as instability and HIV and AIDS.
- 11. From my own experience as a Minister in Côte d'Ivoire, I can suggest the following outcomes of implementing the recommendations of the Commission for Africa.
- 12. As you know, until the late nineties and the coup in 1999, Côte d'Ivoire was often identified as an African success story with high rates of growth and an economy that attracted inward migration from its neighbours. The picture is now a very different one. Now that instability has taken hold in Côte d'Ivoire, the costs to economic development and poverty reduction have been done and it will take a long-time for the country to recover. As in Rwanda, DRC, Sudan, Angola and throughout West Africa, the costs to African development of failing to prevent conflict are hard to calculate. Much more needs to be done sooner if we are not to see further reversals in Africa's fortunes.
- 13. The demise into conflict in Côte d'Ivoire is ultimately the responsibility of national actors, but the international community could have done much more to influence events.
- 14. For a long time, donor and diplomats ignored growing tensions, over land, growing inequality between groups, nationality and political power.
- 15. Also, following the coup in Côte d'Ivoire, donor governments were quick to recognise military regime and in some cases, supported it. In contrast, the Organisation for Africa Unity refused to recognise it and barred the then-president, General Guei, from attending its summit in the summer of 2000. Having seen the impact of the conflict on Côte d'Ivoire and imagining what its long-term impact will be, it seems that following African leadership would have been the better option for the international community.

- 16. The Commission makes recommendations on how to improve future responses by making donors better at identifying and acting on the risks of instability, and by strengthening African regional means of promoting improved governance and conflict through support for the AU/NEPAD Africa Peer Review Mechanism and African Union and regional organisations' operations to prevent and resolve conflict.
- 17. We also argue that the international community must focus on weak and conflict-affected states, as well as "good performers", as the latter are also vulnerable to spreading instability. Regional insecurity, particularly in Liberia and Sierra Leone, also brought refugees and the risk of instability in Côte d'Ivoire. Politics and stability in Côte d'Ivoire, like so many other countries, was impacted by the easy access to arms in West Africa, largely financed by blood diamonds. We make recommendations aimed at increasing transparency in extractive industries and control the use of natural resources such as diamonds to finance conflict, as well as controlling arms flows.
- 18. Much of our report is about making aid more effective, not least our recommendations on international institutions. Whilst in government in Côte d'Ivoire, I suffered the impact of international agencies unaccountable to recipient governments and whose staff placed true ownership and understanding of the context beneath their own priorities and views. Aside from the impact on relationships, low effectiveness and accountability of international institutions reduces the effective use of development resources. The Commission calls on the International Financial Institutions (IFIs), such as the International Monetary Fund and the World Bank, to increase their focus on Africa and to make their governance and internal structures more conducive to effective and accountable operations. The countries must be left free to determine their priorities and spend the money in the most cost effective way. The IFIs give roughly USD 11 billion to Africa every; 3 to 4 billion of that amount are spent on experts, bureaucrats and controllers on every dollar of aid 70 to 80 cents go straight back to developed countries.
- 19. Despite Côte d'Ivoire's earlier successes, agricultural subsidies and trade barriers in OECD countries did great harm to our economy, particularly agriculture. African farmers cannot compete with the subsidised meat, flour, milk and butter coming from the OECD. Higher duties on processed cocoa products than raw beans discouraged added value. The forthcoming Doha Development Agreement is a prime opportunity to change policies on these tariffs and subsidies, as we recommend in our report. Alongside our recommendations to increase investment in the capacity to trade, infrastructure and means to improve the climate for private sector growth and investment, this would enable agriculture to grow in African countries and for growing populations to be fed as well as promoting growth and economic development. We support the creation of an Africa Enterprise Challenge Fund to support private sector initiatives that contribute to small enterprise development an initiative that has already elicited interest from the United States.

20. Education has to be at the root of development and accountable governance. Without education, the public are vulnerable to manipulation and are ill-equipped to hold politicians to account. Education of girls and women is essential to development. Women who are educated are far more likely to have greater space between children, reducing vulnerability to poverty and promoting healthier families. The Commission recommends that African governments develop measures to get girls as well as boys into school and that donors provide support to these steps. Many people in the US and Europe would be surprised to hear that children in most African countries do not have access to free basic education – fees for education are common. In Uganda, when user fees were removed, enrolment of the poorest girls doubled. The Commission recommends that donors provide financing that enables the removal of these fees.

What are we asking of G8 countries?

- 21. The UK's forthcoming presidencies of the EU and G8 were a strong factor behind the creation of the Commission for Africa by Tony Blair. The final report makes strong, action-focused recommendation that require resources and political commitment from a range of actors, not least G8 and EU countries.
- 22. We are not expecting each government to do everything. There are clear areas where individual governments have strengths. The US has increased its commitment to Africa and to development in recent years: doubling its aid to Africa, and creating the Millennium Challenge Account and PEPFAR programmes, and implementing AGOA. This shows a recognition of and commitment to supporting change in Africa. The US has shown a strong interest in issues such as HIV and AIDs, promoting good governance and a good climate for private sector growth and investment, and building the capacity of African countries to trade. It has shown support for transparency initiatives,, such as the Extractive Industries Transparency Initiative and the African Union and regional efforts to promote security, and has been active in steps to promote the tracing of illicit assets.
- 23. The US can aid the implementation of the Commission's recommendations and promote further development in Africa by building on these achievements and its existing experience in the areas of where it has already shown an interest. The US can also provide support to a strong statement from this year's G8 summit, action at this year's Millennium Review Summit, including support for UN reform, and in Hong Kong to promote a Doha Development Agreement that provides real progress for developing countries.
- 24. We also call upon G8 countries and others to use their influence in the international system to ensure that international organisations such as the World Bank, International Monetary Fund, and the United Nations work well and in the interests of Africa.