

**FACTORS INHIBITING
EFFECTIVENESS OF THE NEPAD INITIATIVE
FOR AFRICA'S DEVELOPMENT:
A CASE STUDY OF KENYA (2001 – 2005)**

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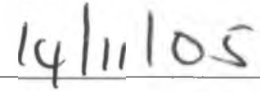
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This Dissertation is my original work and has not been presented for examination at any other University.


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This Dissertation has been submitted to the Board of Post Graduate Studies at the University of Nairobi for Examination with my approval as University Supervisor.

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MR. ROBERT MUDIDA

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DATE

DEDICATION

I dedicate this book to the memory of my late father James Maikara Oganga and my mother Mary Nyanchoka Maikara.

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Abbreviations

ADB	African Development Bank
AIDC	Alternative Information for Development Centre
AIDS	Acquired Immuno-Deficiency Syndrome
APRM	African Peer Review Mechanism
ASEAN	Association of South East Asian Countries
ASEAN	Association of South East Asian Nations
AU	African Union (successor of OAU)
CARIFTA	Caribbean Free Trade Area
CEO	Chief Executive Officer
CFI	Chennal Francais International
COMESA	Common Market for Eastern and Southern Africa
COSATU	Congress of South African Trade Unions
DFI	Direct Foreign Investment
DRC	Democratic Republic of Congo
EAC	East African Community
ECOWAS	Economic Community of West African States
EEC	European Economic Community
EU	European Union
FDI	Foreign Direct Investments
G-8	Group of Eight Most Industrialised Nations
GDP	Gross Domestic Product
HIV	Human Immune Deficient Virus
ICRAF	International Centre for Research in Agro Forestry
ICT	Information Communication Technology
IGAD	Inter Governmental Authority on Drought and Development
MAP	Millennium Partnership
MDG	Millennium Development Goals
MNC	Multinational Corporation
NAFTA	North Atlantic Free Trade Area
NAI	New African Initiative
NAM	Non-Aligned Movement
NEMA	National Environmental Management Authority
NEPAD	New Partnership for Africa's Development
NIC	Newly Industrialised Countries
OAU	Organization of African Unity
SADC	Southern Africa Development Co-operation
UNDP	United Nations Development Programme
UNEP	United Nation Environmental Programme
UNTAD	United Nations Trade Agreement and Development
US	United States
WB	World Bank
WHO	World Health Organisation
WTO	World Trade Organisation

Abstract

This research was undertaken to investigate the effectiveness of NEPAD in remodelling Africa's development. It proposed to find out the effectiveness of NEPAD by analysing factors that could inhibit NEPAD at country level to achieve its objectives. Kenya was taken as a case study and it was established that NEPAD-Kenya Secretariat is small in size and it lacks capacity both in resources and personnel to steer forward the NEPAD-Initiative programmes in the country.

However NEPAD-Initiative programmes in Kenya are slowly taking off and are helping Kenya score more points in social, political and economic fronts. The NEPAD-Kenya Secretariat can do more in terms of creating awareness of the initiative among the private sector and the civil society to make the people part of the development agenda.

This research set out to reveal the challenges and inadequacies of Africa owned initiative for economic development. The research has collated literature and data to inform scholars of regional integration on the pitfalls and strengths of individual countries and collective responsibility in steering forward sustainable development. The continental economic development can be achieved through NEPAD initiative by designing programmes that are acceptable across board for faster economic take-off. NEPAD will be one of the pioneer programmes to tackle Africa's underdevelopment if all African leaders support it and the development partners listen to Africa's wishes.

1.0. BACKGROUND TO NEPAD

1.1. Introduction

The New Partnership for Africa's Development (NEPAD) is a new framework for collaboration and co-ordination within the Africa Union (AU). It was launched in July 2002 by African leaders in Lusaka Zambia.¹ NEPAD is a pledge by Africa's political leadership to place their countries, individually and collectively on a path of sustainable growth and development. NEPAD is therefore an agreement, a resolve by African leaders to create a new initiative, a new platform of thought to steer the much-needed economic recovery of Africa. It is both an opportunity for the redefinition of Inter-African relationships. It is a window through which outside world should view and interact with Africa.

NEPAD is grounded in a vision of people living at peace with themselves in a productive and prosperous Africa.² It represents a new hope for a complete transformation of the continent. In NEPAD African leaders are seeking a new beginning and a strategic direction-daring to believe that Africa is not doomed to forever exist under the distressing burdens of poverty and backwardness. It seeks to utilize available human and physical resources to provide sustainable growth in Africa. It is a vision and strategic framework for Africa's renewal. On-going globalization and Africa's increasing marginalization from the global economic platform is raising an increasing awareness among the new generation of African leaders that the continent's future is truly in their own hands. NEPAD's history can

¹P.A. Nyong'o, A. Ghirmazion & D. Lamba, (Eds) New Partnership for Africa's Development: A New Path? Nairobi, Heinrich Boll Foundation, 2002, p. 3

² Ibid p.5

be traced to three parallel initiatives. It arose from a mandate Organisation of African Unity (OAU) gave to the five initiating heads of state viz. Algeria, Egypt, Nigeria, Senegal and South Africa, to develop an integrated socio-economic development framework for Africa.³

In 2000, the G8 leaders invited South Africa's Thabo Mbeki, Nigeria's Olesegun Obasanjo and Algeria's Abdelaziz Bouteflika to attend the G8's annual meeting in Japan. The three leaders were chairpersons of three largest inter-governmental groups representing the developing world, namely the Non-Aligned Movement (NAM), the G-77 and the OAU respectively. OAU used the request to draft a development plan for the continent. This led to the establishment of a steering committee to formulate the plan. Thus, NEPAD evolved out of a merger of two continental initiatives, the Millennium Partnership for the African Recovery Program (MAP) and the Omega Plan. The merger of these two programmes was finalized on July, 3 2001.⁴

MAP was a detailed project for the economic and social revival of Africa involving a constructive partnership between Africa and the developed world. It was initially conceived by President Mbeki with the support of the Presidents of Algeria and Nigeria.

In the same period January 2001 President Wade of Senegal announced Omega plan for Africa at the France-Africa Summit. The plan identified the need to develop physical prerequisite for sustained and balanced growth and argues for investment

³ NEPAD, Annual Report 2002, NEPAD Secretariat, Nairobi p. 2

⁴ Ibid, p. 3

needs in priority sectors to be brought under the purview of a single international authority. Omega had the same vision and objectives as those of MAP. Both were inspired by the need to launch Africa on a path of sustained growth and development at the dawn of a new century and both were based on the premise that Africa must assume the primary responsibility for that effort. After sometime, efforts were made to merge the two initiatives to become the New Africa Initiative (NIA).

In its preamble, the NIA stated that the initiative was Africa's strategy for achieving sustainable development in the 21st Century.⁵ The NIA was submitted and adapted by the OAU/AU summit in Lusaka Zambia on 11th July 2001 as the new continental framework for development.

The MAP and the OMEGA Plan were merged into a unique programme: the New African Initiative (NAI) that later became known as the New Partnership for Africa's Development (NEPAD). After input by economic advisers and interested parties, NEPAD underwent a number of adjustments before the final draft was officially presented to the OAU Summit in Abuja in October 23, 2001. NEPAD was formally adopted as the economic programme for Africa at the launch of AU in South Africa in July 2002.

NEPAD differs from past initiatives in that it is African initiated, owned and managed. It is built on a new spirit of partnership and mutual accountability. The initiative takes into account the diversity of Africa's economies and their varying

⁵P.A. Nyong'o, et al (Eds) NEPAD: A New Path? Op cit, p. 8

levels of development and it is anchored on the principle of regional integration and cooperation.

Since the launching of this initiative in July 2001, Kenya has played a significant role in the sub-region by way of building support for the initiative. In September 2002, the government of Kenya appointed a National Steering Committee, chaired by the then Head of Public Service and Secretary to the Cabinet and 12 prominent personalities from the government, private sector and the civil society, to co-ordinate Kenya's participation in NEPAD. After a change in the government in December 2002, the National Steering Committee was expanded to 19 members.⁶ The government reached the decision that a secretariat be established to implement the mandate of the National Steering Committee.

At national level, the Kenyan Cabinet granted an approval to establish the NEPAD Secretariat. The structure of the Secretariat will be two-tier, with a Board of Trustees reporting to the President through the Head of the Public Service and Secretary to the Cabinet.

Kenya became the first country to establish an autonomous secretariat for NEPAD. Other participating countries either have a government-employed NEPAD Liaison Officer or NEPAD desks at one or more ministries. In Ghana, for example there is a Minister for Regional Development and NEPAD. The role of this Secretariat should

⁶ NEPAD, Annual Report 2003. NEPAD Secretariat, Pretoria, pp. 14-16

be studied to reveal the relevance it can play in the regional economic development.

1.2 Statement of the Problem

Africa lags behind in the various sectors of socio-economic development. Africans face common challenges and must establish a *raison de vivre* by giving a new meaning and direction to their existence in order to emerge out of the entrenched crises they are in. It is a remarkable achievement that the initiating leaders are able to overcome their differences and successfully merge all the varying plans into one document. NEPAD provides a framework within which change can take place to spur growth and economic development. It is both a turning point and an opportunity to be exploited or to be lost. It is intended to be a policy framework through which the international community supports Africa's development. The seriousness with which Africans seize this important moment will determine the seriousness with which the external world will respond. This places some responsibility on the industrialized nations to institute change, but more important, it demands from Africa a new resolve to take charge of their destiny.

NEPAD is a pledge of Africa's political leadership to place their countries on a path of sustainable growth and development. African leaders are seeking a new beginning and a strategic direction to address the burdens of poverty and backwardness. Africa

also hopes that finally NEPAD will give it a different face in the long run. It will be a waste of resources if NEPAD fails to fulfil its objectives.⁷

A major question that critics have raised is: what is the effectiveness of regional organizations in promoting sustainable development in Africa. Will the NEPAD improve the face of Africa before the international community and foster development or will it be like past initiatives and other regional bodies in Africa?

This study seeks to analyse the effectiveness of NEPAD in fostering development in Africa with a case study of Kenya. The research question that will guide this research is: what factors likely to inhibit the effectiveness of NEPAD Initiative for development of Kenya? This question links two variables: NEPAD Initiative and Kenya. By analyzing NEPAD Kenya programmes, this research hopes to provide insights to NEPAD Africa on how to attain the above-stated benefits.

1.3 Objectives of the Study

The ultimate objective of the study is to synthesise information in a single document on NEPAD to enable policy makers to come up with measures that could make NEPAD more effective in the development of Africa.⁸

Specifically the study sought to achieve the following objectives: -

- (i) Examine the effectiveness of NEPAD initiative for development in Africa.

⁷ NEPAD, www.nepad.org/en.html. p. 1

⁸ C.F. R. Keohane & Joseph Nye Jr, *Power and Interdependence: World Politics in Transition*. Boston. Little & Brown, 1977, p.176

- (ii) Examine the factors hindering the effectiveness of NEPAD initiative for development in Africa.
- (iii) Examine the effectiveness of NEPAD initiative for Kenya.

1.4 Theoretical Framework

This study will be guided by interdependence theory and the model of structural transformation. Interdependence emerged in 1977 with Keohane and Nye to explain the economic relationships between the developed and developing countries.⁹ As Kuhn noted, new theories usually emerge in order to correct the limitations of the prevailing theory/theories.¹⁰

Interdependence is a theoretical approach that can be traced to the political science and economics literature during the early stages of regional integration in Western Europe. Keohane and Nye used “integration” and “interdependence” interchangeably. Integration is any level of association between actors, on one dimension or another of various types of integration, such as economic, social, and policy integration. This places “integration” on the same analytical level as “interdependence” which is not closely associated with a teleological or process-oriented theory.¹¹ NEPAD therefore fits in this framework considering its membership across Africa and the core objective to promote intra-regional and extra-regional trade and commercial relations.

⁹ T. Kuhn, *The Structure of Scientific Revolution*, Chicago, University of Chicago Press, 1962, p.54

¹⁰ R. Keohane, & Joseph Nye Jr, *Power and Interdependence*, op. cit, p. 366

¹¹ M. M Gerald., *The old Generation of Development Economics and the New in Meir, GM. and J. Stiglitz (Eds) Frontiers Development Economics*, New York, Oxford, 2001, p. 14

This research will utilize interdependence theory, which is seen in the coming together of African leaders to form NEPAD. One of the key priority areas of action of NEPAD is the Peer Review Mechanism that will review the nature of governance in member-countries. AU leaders are willing to respect rules and work harmoniously for their common good. They have realized that stability of Africa can only be secured through a mutually agreed system of rules, binding on all member governments and enforceable through dispute settlement and economic prosperity. They have recognized that co-operation and integration in economic, social and cultural fields is indispensable to the desired transformation and sustained development.

Another conceptual framework that will help conduct the research is the model of structural transformation and extensive government involvement in development programming or planning.¹² This model is appropriate in the case study, as they look into the requirements for an increase in per capita real income. NEPAD seeks to reduce poverty in Africa through increase of GDP. It argues that if Africa is allowed market access in developed countries and exports from Africa increase, then Africa will have increased capital to accelerate economic growth. These models demand specific government policies if their hypotheses are deemed to succeed. Strong action are intended here to correct or avoid market failure in a less-developed economy. The newly conceived NEPAD strategy in Africa is for the economic welfare of Africa states. It provides considerable rationale for collective government action to correct the previous market failure.

¹² A.C. Harberger, The Cost Benefit Approach to Development Economics, in World Development 11, 10 October 1983, pp 863 – 73.

The model of structural transformation will be complemented by neo classical economic theory. The neo classical economic theory postulates that micro studies rather than macro-studies provide more direct policy implications for specific change in policies such as change in tariffs or agricultural tariffs. This approach puts to question the issues of governance and economic policy formulation. Analytical tools used here for empirical analysis are country specific, sector specific or project specific.¹³ NEPAD has specified in its objectives the modalities to help governments allocate resources into more deserving sectors to accelerate economic growth. Allocation of resources to sectors that will generate economic growth in developing economies is wanting in Africa. The model concludes that in developing economies the allocation of resources to achieve greater turnover is a composite of the effects of different forces. These forces are inclusive thus: improvement of quality of labour through education; reallocation of resources from low-productivity to higher-productivity uses; exploitation of economies of scale and improved ways of combining resources to produce goods and services. These features summarise the overall approach NEPAD intends to take in integrating Africa economy.

1.5 Literature Review

Literature review is important in research. First it provides a background upon which research concepts and operationalisation will be based. And secondly it shows a gap that needs to be filled through research. Therefore this research shall review two categories of literature. The literature on NEPAD and that on theoretical conceptualisation of regional integration.

1.5.1 Literature on NEPAD

The NEPAD initiative is a recent development. The few available materials are in form of seminar and conference papers and journals. Published books are few and they dwell on the review of NEPAD's expected role in Africa's Development.

Global Studies¹⁴ is a compilation of articles on development in Africa presented during the annual workshop of the German-based Hanns Seidel Foundation in Dar es Salaam in February 2002, where the African counterparts attended. There is however, a brief mention of NEPAD in the book. Melber et al,¹⁵ is a compilation of contributions during the workshop organized by the German-based Hanns Seidel Foundation. It explains NEPAD and offers challenges to the African leaders on how they can transform NEPAD so that they can attain the objectives. However, it is narrowed to NEPAD Africa as it was written before the formation of NEPAD Kenya. Brazier¹⁶ narrows down to the concept of a united Africa, modelled after the EU and says that such a pan-African union could help solve some of the continent's more difficult social and political problems.

Apter¹⁷ examines the impact of globalization on Africa and argues that the experiences of the continent illustrate many of the negative consequences that globalization can have for vulnerable people, both in its presence and in its absence. He concludes that "the dysfunctions of globalization" are troublesome in Africa. This is especially so when international institutions like World Bank and International Monetary Fund impose economic programmes that are unsuitable for such countries.

¹⁴ Hanns Seidel Foundation, Global Studies. Hanns Seidel Foundation, Dar Es Salaam, 2002, p.39
¹⁵ H. Melber, et, al. New Partnership for Africa's Development: African Perspectives, Stylus Pub LIC, February 2002, p.67
¹⁶ C. Brazier, Africa United: Not Hopeless. NW Internationalist, August 2002, p. 12
¹⁷ D. E. Apter, Globalisation and Its Discontents. Dissent, Spring 2002, pp 21-22

Ottaway¹⁸ says wars will continue to flare up in Africa until a new order emerges. As this article points out, order could come from new political arrangements that reflect the balance of power among African forces, or the industrialized countries and the United Nations could impose and maintain with force. Owuor¹⁹ summarizes some of the weaknesses of the emerging AU and suggests that these are “teething problems” like those that occurred in the early stages of development of the EU. Thus, it will be especially important for all AU members to have a sense of belonging and an opportunity for constructive participation.

Akukwe²⁰ discusses NEPAD, showing how it could benefit not only Africa but also the rest of the world. He says the powerful G-8 countries must become more ambitious in terms of the resources and commitments they will make to Africa. Meanwhile, African leaders must work to build greater support for NEPAD and find ways to use the initiative to help solve Africa’s problems. Randriamaro²¹ assesses how NEPAD can address gender equality in Africa. Regarding gender equality considerations, critics have pointed out the gender-blindness of the NEPAD, despite the fact that one of its long-term objectives is to “promote the role of women in all sectors”.

Randriamaro explores its gender-blindness as well as how parts of its underlying framework and objectives actually undermine a gender equality agenda. The first part

¹⁸ M. Ottaway “An end to Africa’s Wars: Rethinking International Intervention” in Harvard International Review (Winter 2001).

¹⁹ H. Owuor, Challenges for the African Union, Pretoria, World Press Review, October 2002, p. 33-34

²⁰ C Akukwe, Africa, NEPAD and the G-8, Pretoria, World Press Review, October 2002, p. 33-34

²¹ Z. Randriamaro, The NEPAD, Gender and Poverty Trap: The NEPAD and the Challenges of Financing for Development in Africa from a Gender Perspective, Pretoria, World Press Review, p. 26

examines the main features of the economic paradigm underpinning the NEPAD from a gender perspective. The second part focuses on the gender implications of some of the initiatives proposed for mobilizing resources for development in the NEPAD while the third part outlines the challenges posed by the NEPAD for women's economic activity, and proposes alternative economic policy options to ensure women's economic empowerment and gender equality.

African Forum on Envisioning Africa²² contains 18 papers that were presented at a forum where African scholars from all over Africa and in diaspora analyzed NEPAD. The authors present general critiques of NEPAD Initiatives and offers insights to the AU leaders. The South African Churches²³ comments on NEPAD's vision and assert that it is blurred as it fixes its sights on increased global integration and rapid private sector growth as the answer to overcoming poverty. It also notes NEPAD's failure to engage with Africa's people to transform the continent. Malawi Civil Society²⁴ comment on NEPAD Members from the civil society in Malawi and call on the NEPAD secretariat to terminate the implementation of the NEPAD initiative until there is wider public endorsement and a sharper focus on fighting poverty in poorer African countries.

Poor Miss Out as Rich Nations Cream Off Their Trade²⁵ note that while developed countries were able to "lock in" the benefits of technology, research and development

²² Africa Forum on Envisioning Africa, Focus on NEPAD, The Mazingira Institute, the African Academy of Sciences and the Heinrich Boll Foundation, April 2002, p. 12

²³ South Africa Churches, Un-blurring the Vision: An Assessment of the New Partnership for Africa's Development by South Africa Churches, Pretoria, South Africa Churches, 2002 p. 47

²⁴ Malawi and Society Comments on NEPAD, Members from the Civil Society in Malawi. Lilongwe, 2002, p.

²⁵ Poor miss out as Rich Nations Cream off their Trade, Article in The Economist (April 2002).

and brand, their poorer trading partners were left competing against each other to provide low-cost labour. NEPAD and Foreign Direct Investments (FDIs): Symmetries and Contradictions²⁶ seek to examine the positive and negative aspects of NEPAD in the hope that a critical inquiry would help clarify some of the more difficult issues underlying this initiative. Congress of South African Trade Unions (COSATU) Press Statement²⁷ asserts that COSATU should embrace the broad principle that there is a need for Africans to undertake an initiative to ensure better governance, end conflicts and embark on sustainable development, all of which are covered by NEPAD.

Amoa²⁸ reports on the Africa Caucus meeting in session on the New Partnership for Africa's Development. Bond²⁹, a veteran economic critic of neo-liberalism, outlines the development of Mbeki's African renaissance plan as it culminates in NEPAD by merging with, or subsuming other plans. Director's Comment: NEPAD = SAP+GATS+DSB³⁰ argues that the African civil society is gradually waking up to the NEPAD. It is positive towards NEPAD Initiative. NEPAD: An Annotate Critique from South Africa³¹ contains excerpts from a presentation by Patrick Bond of the Alternative Information for Development Centre (AIDC) based on a 37000 word critique of most sections of the NEPAD document, as presented to a seminar in Johannesburg where cabinet ministers and many civil society groups attended.

²⁶ NEPAD and Foreign Direct investments: Symmetries and contradictions , Paper presented at the African Scholars Forum, April 2002, p. 5

²⁷ Congress of South Africa Trade Press Statement , Pretoria: April 2002,

²⁸ B.D Amoa, Resume of meeting on NEPAD at Africa Caucus , Monterrey: March 2002.

²⁹ P. Bond, What is Pretoria Planning for Africa ? December 2001.

³⁰ Director's Comment: NEPAD = SAPS + GATS + DSB , April 2002.

³¹ NEPAD, An Annotate Critique from South Africa. April 2002.

Should African Social Movements be Part of NEPAD?³² are notes from a speech given by Trevor Ngwane to the African Social Forum's African Seminar at the World Social Forum. Bishops Blast NEPAD's Plan slammed NEPAD³³ is a radical critic of NEPAD. It calls some of the proposals "dubious" and criticizes it for lack of consultation with those it would affect. Similarly, NEPAD is an Ambiguous Plan³⁴ analyzes the nature and causes of Africa's socio-economic and political development problems contained in the NEPAD. It also states that the solutions it proposes are dubious.

World Vision Canada³⁵ propose eight changes that Canada and the other G-8 countries can make to achieve greater justice for the people of Africa, and says that only justice and respect for every person, captured in the Bantu word Obuntu, can lead to peace and prosperity for both rich and poor countries. It also urges Canadians to sign a petition supporting the eight NEPAD proposals. Gary's³⁶ is a statement by Catholic Relief Services (US) on the African agenda, including NEPAD, at the G8 meeting. Edwards³⁷, the Canadian High Commissioner to South Africa in a letter to the editor of the Mail and Guardian, explaining her comment as criticized by Patrick Bond in "Fooling the Canadian in Pretoria".

³²Should African social movements be part of NEPAD? in Porto Alegre: February 2002.

³³South African Catholic Bishops Conference, Bishops Blast NEPAD's Plan, March 2002.

³⁴Southern African Catholic Bishops Conference, NEPAD is an ambiguous plan, March 2002.

³⁵World Vision Canada, Obuntu: Eight for the G-8 - New Directions for the Action Plan for Africa, World Vision Canada, 2002, pp 17-18

³⁶I Gary, Responding to Africa's call at the G-8 Summit, Pretoria, Catholic Relief Services, 2003, pp 23-24.

³⁷L. Edwards, Letter to the Editor of the mail and Guardian, London, June 2002

Africa-Canada Forum³⁸ questions the matter the Peer Review Mechanism on Zimbabwean government's abuses, and claims that Mbeki and Obasanjo, the two main African leaders on NEPAD, are covering it up and that Canadians are accepting this fact because of their big stake in NEPAD being accepted at the G8 meeting. Canadian Council for International Co-operation³⁹ gives a general commentary on NEPAD. What About HIV/AIDS?⁴⁰ argues that HIV/AIDS epidemic is the greatest threat to Africa's development, hence should be on the shortlist of any NEPAD strategic priorities. In Mbeki's NEPAD⁴¹, Patrick Bond critically evaluates the NEPAD's promise to promote growth and democracy in Africa, examining both the strategies for integration as well as its technocratic approach to democratic governance.

Saul⁴² responds to Robert Fowler Re's article titled NEPAD is a critique of NEPAD. Response to ACF Commentary on NEPAD⁴³ is an informal response to a commentary on NEPAD. Chrétien⁴⁴ says that NEPAD is a plan of extraordinary vision, but also of immense realism. It recognizes the enormous potential creativity and dynamism of the African people. A report from a top G8 official⁴⁵ warned African leaders against unrealistic expectations of money from industrialized countries to support NEPAD.

³⁸ Africa – Canada Forum, NEPAD's Zimbabwe Quarantine a False Start, June 2002, p. 27

³⁹ Canadian Council for international Co-operation, NEPAD: A commentary, Ontario, Africa – Canada Forum, June 2002, p. 18.

⁴⁰ What about HIV/AIDs? April 2002.

⁴¹ P. Bond, Thabo Mbeki's NEPAD: Breaking or Shining the Chains of Global Apartheid, April 2002, p. 33-34

⁴² J. Saul, Our Leaders have Betrayed us: Notes for a Response, March 2002.

⁴³ S. Seoderberg, Response to ACF commentary on NEPAD, July 2002.

⁴⁴ J. Chretien, Address to the organization of Africa Unity and the United Nations Economic Communication for Africa, April 2002.

⁴⁵ NEPAD, Not Just about Money, February 2002.

Amnesty International⁴⁶ narrows down to human rights issues, and argues that they must be central in NEPAD.

Kraay and Ventura presume that trade integration equals to risk sharing. In International trade, countries have different factor endowments.⁴⁷ There is incentive to trade in goods and services collectively to exploit each country's comparative advantage. Since countries experience imperfectly correlated shocks to their factor productivity, they are motivated to trade in assets so as to diversity country risk. NEPAD will seek to rally African countries to trade as a bloc to reduce the risk of trade shocks countries experience from time to time.

Frankel avers that regional economic arrangements such as free trade areas, custom unions and currency blocs have become prevalent in the world economy since regionalisation creates opportunities for greater trade returns.⁴⁸ However he concedes that regionlisation may corrupt fragile efforts to encourage global free trade. From this view countries adopt regional trading agreements in order to influence patterns of trade in their favour. NEPAD endeavours to achieve this goal for Africa.

Initiatives that have been undertaken in other regions of the world bear no similarity to NEPAD. The Marshall Plan was initiated in Western Europe after the second World War.⁴⁹ Its core objective was to address the infrastructural breakdown that

⁴⁶ Amnesty International, Human Rights must be central to the New Partnership for Africa's Development, March 2002, p. 48

⁴⁷ A. Kraay, and J. Ventura, Trade Integration and Risk Sharing, The World Bank, Washington, 2001, p. 78

⁴⁸ J.A. Frankel, (ED) The Regionalism of the World Economy, Washington 1998, p. 55

⁴⁹ H. Cheney & M. Syraquin, Patterns of Development 1950 – 1970, London: Oxford University Press, 1975, p. 18

occurred in the war period. The Plan was initiated through the American efforts. The initiative was targeting the region to curtail the spread of communism from the Eastern Europe. The initiative worked in favour of its objectives since most European countries had put up industrial structures that easily jump-started their economies once infrastructure was in place. This initiative has no comparable situation factors to extrapolate into NEPAD.

The North Atlantic Free Trade Area is another initiative established in the Latin America to create investment opportunities, free trade area and technological transfer.⁵⁰ The initiative saw America take lead in investing in the nearby regions to reduce the cost of production in their own country. The USA had encountered labour shortage and constraints in environmental management. The extensive industrial investment in Mexico for example led to environmental pollution. The labour unrest and ill health of workers continue dogging the country to date. The NAFTA that was intended to promote socio-economic welfare is a threat to it. The observation here is that the initiative did not get far in achieving the developmental goals foreseen due to excessive entrenchment of American interests.

The ASEAN initiative in the South Asia region was founded to spur economic and industrial development.⁵¹ The initiative was initially designed to create enabling environment for investment, trade and economic stability. The initiative thrived well to achieve its long-term goals till the 1997 East Asia Financial Crisis, which shook the financial stability of NICs. There are several lessons to be learnt from this scenario.

W. Singer, The Strategy of International Development. London, Macmillan Press Limited 1980, p. 48
Mattis, A Society for International Development, North Carolina, Duke University Press, 1973, p. 118

First there is no guarantee that a regional co-operation will protect nations from external shocks. Secondly states in a regional co-operation need to pool resources to avert any financial crisis within the region. Finally states must contend with short-term investments in a region in terms of shares, stock and equity. These short-term investments create hot money that can be withdrawn as a form of investment in a short notice. NEPAD may create a similar environment but it will not attract hot money as ASEAN did. Their experiences were unique and remain limited to that region.

1.5.2. Critique of Literature Review

From the literature review, there is a gap. Most literatures examine NEPAD with reference to the entire Africa. Although they viewed NEPAD from different perspectives, the core of their study is NEPAD. Very few writings link the two variables of NEPAD and Kenya. The few available works are either too general or too brief in analysis. There is no comprehensive analysis of this study. For this reason, this study intends to fill the gap in the existing literature. By doing so, this research will illuminate light to the AU leaders in order to give Africa a new face.

Stiglitz on the other hand argues that regional integration for economic ends pauses two antagonistic results.⁵² It may help countries attain higher levels of developments as they take charge of their own destiny in economic and trade decision. On the other hand it can destroy countries economic stability, as they remain powerless against external forces beyond their control. African countries should expect NEPAD to have

⁵²J. Stiglitz Globalisation and its Discontents. New York, WW. Norton, 2002 p. 36

any of these eventualities. It is not likely that NEPAD will solve absolutely the economic problems in the continent.

The pertinent question that the study seeks to answer is; what factors inhibit the effectiveness of NEPAD Initiative for development of Kenya? It is against this background that the study is undertaken.

1.6 Justification of the Study

The NEPAD vision of a secure and prosperous Africa depends on the viable and effective partnership of all the Africans in all the sectors. The leaders have the responsibility of leading the processes as representatives of the people and to overcome the identified impediments in the previous development initiatives. Mainly it has been the lack of political will and committed leadership.

NEPAD brings together African governments to discuss development matters without bureaucracies that often bog down discussions at the AU and Economic Commission for Africa.⁵³ This makes the study important as it seeks to bring out the new NEPAD initiative and how it will affect development in the continent. This study will be useful, as it will assist the policy makers to forecast on the future prospects of the initiative.

It is important for the study to be undertaken to enable policy makers in Kenya to

⁵³P.A. Nyong'o, Globalisation (Nairobi:2004)

have a document they can make reference to. In addition any initiative that is highly embraced steadily needs to be studied to look at the ways of sustaining it.

The outcome of this study therefore opens academic debates to future research that will fill the gaps left out in the study on the initiative.

1.7 Hypotheses

The following hypotheses are pertinent to this study:

- i) Good governance as propagated by NEPAD will contribute positively to development in Africa
- ii) NEPAD partnership will not be effective in promoting sustainable development in Africa
- iii) Prudent resource allocation by governments in key sectors as emphasized by NEPAD will lead to a greater development

1.8 Definition of Concepts

In this research, the following concepts will apply as defined below.

- i) Development is a process leading to an improvement of quality of life of people through changes in structures, attitudes and institutions as well as the acceleration of economic growth, the reduction of inequality and eradication of absolute poverty.
- ii) Partnership is a relationship of entities who share a common future both positive and negative.
- iii) Initiative is a holistic, comprehensive and integrated programme of action intended to achieve specific objectives.

- iv) Effectiveness refers to the ability of an organisation to achieve its goals. NEPAD will be effective as an initiative for development if it is able to carry out its set objectives in the entire continent.

1.9 Research Methodology

Background documents on the NEPAD as a whole and NEPAD Kenya were used for this study. This study used both primary and secondary sources of data. The latter include newspapers, books, journals, internet sources and public records. They were subjected to qualitative analysis within a historical context in order to reveal the effectiveness of NEPAD in promoting development in Kenya. The primary data was collected through interactive interviews with NEPAD-Kenya Secretariat staff, Ministries of Trade and Industry, Economic Planning and Foreign Affairs. In total there were sixteen interviews undertaken. The analysis of both primary and secondary data was done qualitatively. The information provided by respondents was utilised to correlate to what the research proposed to accomplish in its objectives. The researcher got all the necessary cooperation from all the respondents despite their tight schedules. Occasionally it led to postponement of interviews but their views were finally drawn into the research data.

1.10 Chapter Outline

Chapter One: Introduction, statement of the problem, justification of the study, objectives of the study, literature review, theoretical framework, hypotheses, definition of concepts and research methodology.

Chapter Two: A Historical Background and Evolution of NEPAD.

- Chapter Three:** NEPAD Initiative in Africa a Critical Evaluation.
- Chapter Four:** NEPAD and Kenya – Factors inhibiting NEPAD effectiveness
- Chapter Five:** Summary, Recommendations and Conclusions.

CHAPTER TWO

2.0 HISTORICAL BACKGROUND AND EVOLUTION OF NEPAD

2.1 INTRODUCTION

This Chapter explores the background of NEPAD. The background will review Africa's position in economic development *vis à vis* the developed world. The background will reveal the link between Africa's impoverishment due to the colonial legacies and the need for a new rebirth to promulgate economic growth.

The Chapter will also present an analysis of the events that led to the concrete formation of NEPAD. The NEPAD initiative came about through a series of African leaders' proposals and diplomatic engagement on Africa's economic development. These proposals are reflected on the millennium partnership for the African Recovery Programme and Plan Omega. Preceding this event is the MAP.

Apart from the background and the formation of NEPAD, this Chapter will look into the objectives of NEPAD and their rationale in the context of economic development. The structure of NEPAD shall also be analysed to understand its composition. In addition the Chapter shall evaluate the link between NEPAD and its partners in the process of development. This will include the linkages with regional organisations in formulating strategies and programmes for economic take-off.

The analysis is vital at this level. Since the partnership is essentially about economic emancipation for Africa. This will be complemented with an analysis of the structure of NEPAD. The structure of NEPAD that will be responsible in operationalising the

scheduled programmes. The conclusion in this part will present a summary on how successful NEPAD initiative might be for Africa's social and economic growth.

2.2 BACKGROUND

The new partnership for Africa's development (NEPAD) is a product of the continuing search by Africa people and their leaders to create Pan-African structures that can lead to the social and economic transformation of the continent in a rapidly globalizing world. NEPAD is also an instrument of the contestation between Africans seeking self-determination in their development efforts and those forces that seek the continuation of the exploitation of the continent's resources upon which the accumulation of their wealth depends. The linkage that brings about this contestation is a historical, one but also a concrete one in that it manifests itself in the continuing structures of imperialist domination of the African people through the Post-colonial state, which continues to be a neo-colonial instrument of domination.⁵⁴ The African countries have been subjected to perennial dependency on Northern economies for internal sustenance. The path laid as a foundation for Africa's economy by colonial powers was on the production of raw materials. The Africans were to labour and produce the raw materials for the European industries.⁵⁵ The primary goods Africa produces are of less value than the processed or manufactured products from the North. Africa is therefore subjected to excessive poverty since it must labour intensively to produce competitive products for the European market that pay poorly. Africa needs to overcome this market domination and imbalance through an institution framework. NEPAD is an instrument through which African leaders seek

⁵⁴ D.W Nabudere., NEPAD: Historical Background and its Prospects. Heinrich Boll Foundation, Nairobi 2002, p. 24

⁵⁵ W. Rodney, How Europe underdeveloped Africa. London, Oxford University Press, 1974, p. 49.

to transform the continent through pooling their resources into vital sectors for economic take-off.

President Thabo Mbeki of South Africa before crafting of the NEPAD, made a ring call for an 'African' renaissance. He called the 21st century an African century. The linkage of these present efforts aimed at African emancipation has its roots in the historical processes in which Pan-Africanism arose. It is clearly understood that NEPAD as pointed out by president Mbeki has to be seen in conjunction with the birth of the African Union, and the operationalization of the conference on security, stability, development and cooperation.

2.3 Formation of NEPAD

NEPAD was initially concurrently proposed as documents by President Mbeki and Abdoulaye Wade of Senegal. These documents were the millennium partnership for the African Recovery Programme (MAP) and the plan Omega. MAP although initially conceived by President Mbeki was drafted with the support of the presidents of Algeria and Nigeria. At later stage Senegal and Egypt were involved in the process of merging the two documents.

2.3.1. MAP

MAP was a detailed project for the economic and social revival of Africa involving a constructive partnership between Africa and the developed world. The initiative sought to reposition the continent in terms of global economic relations that were continuing to unravel. This initiative was different from past initiatives in various

ways. First the previous initiatives like the New International Economic Order (NIEO) were engendered in the West and imposed on the African continent. The African leaders had no realisation of the need to make a case about the continent's unfavourable position it occupies in the global economy. Secondly the initiatives that are propelled from the west do not understand Africa's needs in economic development. This has been previously observed in the IMF/World Bank programmes on liberalisation and Structural adjustment programmes.⁵⁶

The West is charged with capitalistic imperialism through their MNCs.⁵⁷ The external initiatives to address Africa's economic plight have just been piece-meal. They have not addressed holistically the economic strategies for economic take-off. MAP was to generate the home-grown programmes that would steer Africa's economic growth through domestic efforts. Map was therefore seen as a declaration of intent and a firm commitment by African leaders to take ownership and responsibility for sustainable economic development of the continent, while at the same time recognizing the important role to be played by the donor community. The starting point was a critical examination of Africa's post independence experience and an acceptance that things had to be done differently if Africa was to achieve meaningful socio-economic progress.⁵⁸ MAP proposed a global partnership for Africa's development, which would enable Africa to be included in the global economic community. This strategy, in Mbeki's understanding, posed a challenge and opportunity both to African countries and the developed countries of the world.

⁵⁶ J. Stiglitz, Globalisation and Its Discontents, Op cit, pp. 74-76

⁵⁷ Ibid p 63

⁵⁸ T. Mbeki, "Africa's people central to Success of Recovery Programme" In ANC Today 2nd February 2001.

According to Mbeki, the continued marginalisation of Africa from the globalisation process and the social exclusion of the vast majority of its people constituted a serious threat to global social stability. Africa's continued impoverishment has been the source of internal conflicts.⁵⁹ Conflicts in states have gradually become internationalised. The interlinkages of internal conflicts to the larger international system has engendered international crime and terrorism.

The instability of governments in Africa has given a leeway to external penetration and such states become conduits for money laundering, drug trafficking, trade in small arms and clandestine dealings. All these vices are a threat to the wider international community since they would affect their territories. The International society should seek remedies to address, poverty the root cause of most African conflicts. Simultaneously the establishing of sound governance at the global level remained incomplete, but it was nevertheless essential for the sustainability of the globalisation process to deal with this issue. Implementation of MAP, in his view, was not only a major step forward in developing effective global governance, but it would also make a profound contribution to the future welfare of the entire globe.⁶⁰

MAP was characterised by its detailed approach towards economic and social revival of Africa.⁶¹ It involved a constructive partnership between Africa and the developed world.

⁵⁹ J. Colliers, *Economic Causes of Wars*, Washington, World Bank, 2002, p. 18

⁶⁰ T. Mbeki, *Africa's People Centrall to the Success of Recovery Programme*, Op cit

⁶¹ A. Adedeji *From the Lagos Plan of Action to NEPAD and from the Final Act of Lagos to the Constitutive Act* in. Nyonggo, P.A. et al, *NEPAD: A New Path*, op cit p 50

The Plan also characterised by the intent to reposition the continent in terms of global economic relations. It also committed African Leaders to share a conviction that they had a common duty to eradicate poverty and place their countries on path of sustainable growth and development. The initiative majority was determined to end the continents malaise of underdevelopment and exclusion in a rapidly globalising world.

The MAP initiative became a tool whose intention was to commit the African leaders to take ownership and responsibility for sustainable economic development of Africa. The initiative also recognised the role of the donor community in the progress of Africa's economic growth. Leaders in Africa should not just be recipients of aid and donor funding for projects but should identify their priority areas first.

2.3.2. Omega Plan

In January, 2001, President Abdoulaye Wade, announced his Omega plan for Africa. The plan identified the need to develop physical capital and human capital as the key pre-requisites for sustainable and balanced growth and argues for investment needs in priority sectors to be brought under the purview of a single International authority. Global institutions have enabled countries to grow far more quickly than they would have done.⁶² Sustainable growth has been achieved in Asia due to infrastructural development, technological transfer and free market economy embraced by the government.⁶³ International trade policies helped countries in this region to attain

⁶² J. Stiglitz. *Globalisation and its Discontents*, London, Penguin Books, 2002, p. 4

⁶³ World Bank, *The East Asian Miracle*. Washington, World bank, 1992, pp 38-43

competitive economic standards since their economies relied on exports. Therefore globalisation reduces the sense of isolation previously experienced in timid world countries. Omega had the same vision and objective as those of MAP. Both were inspired by the need to launch Africa in a path of sustained growth and development at the dawn of a new century and both were based on the premises that Africa must assume the primary responsibility for the effort.

On his part, President Wade presented the Omega Plan to the France-African summit in January 2001 at the International Conference of Economists on the Omega Plan. After some time efforts were made to merge the two initiatives. This was done and the merged document was referred to as the New African Initiative (NIA)). In its preamble the NIA stated that the initiative was Africa's strategy for achieving sustainable development in the 21st century. The NIA was submitted and adopted by the OAU/AU summit in Lusaka, Zambia, on 11th July, 2001 as the new continental framework for development. This set the tone for NEPAD as the new continental framework for development.

2.4 Objectives of NEPAD

The mandate of NEPAD captures the tenets of economic growth through integration. The first approach towards attaining successful economic growth and development is good governance. Good governance is a basic requirement that can guarantee a long-lasting investment and attract reliable investors in one that is peaceful and secure.⁶⁴ The investors will least prefer an environment where there are threats towards their

⁶⁴A.D. Ball, & B. Wendall, International Business, New York, McGraw Hill 2002, p. 236

capital and monetary investments. The African markets have been avoided over a long time as a result of poor governance. Poor governance, lack of democratic space and oppression has led to war in most African countries. These volatile situations have discouraged investments from the west that would help capital flows and create employment.

NEPAD espouses the view of multi-sector participation in the leadership and ownership of African programmes steered for economic growth and development. The participation of the formal and informal sectors in the leadership and ownership of NEPAD programmes is a neo-liberal agenda for balanced and equitable distribution of domestic resources.⁶⁵ The participation of civilians, professionals, civil society organisation and government agenda in development programmes will propel to reasonable degree an understanding and commitment of the entire society in economic progress.

The third objective of NEPAD is to anchor the development of Africa on its resources and resourcefulness of its people. In this perspective, NEPAD feels that resource mobilisation is a strategy feasible for Africa's development.⁶⁶ The conceptual underpinning behind this strategy is that the global environment is based on power reactions whereby Africa is disadvantaged with the North in the global share of trade. To overcome the status quo of economic power imbalance, there is need for Africa to access the markets in the North that remain limited due to barriers engineered under the WTO and other international mechanisms of perpetuating the status quo.

⁶⁵ World Bank, Can Africa Reclaim the 21st Century? The World Bank, Washington DC, 2000, p. 33
⁶⁶ Ibid p. 38

The fourth objective contends that partnership between and amongst African people is paramount for effective development of human resources. The people in Africa are endowed with different resource endowments. The resource endowments create a comparative advantage for the purpose of integrating to distribute roles and responsibilities for specialisation.⁶⁷ The cooperation among African countries will be greatly enhanced through a continental integration approach.

Another objective for NEPAD is to accelerate regional and continental integration. The aim here is to facilitate regional bodies to integrate its units or facilitate the units to integrate by forming a regional organisation with an object of raising the level of economic activity and standards of living in Africa.⁶⁸ The integration will foster and strengthen the economic relations of countries and territories of Africa thus diminishing the dependency syndrome on trade with the North. This form of regional integration will entrench further sense of security, peace and economic prosperity among member states. And it will edge up competitiveness of Africa countries and consequently the African continent.

NEPAD further aims to forge a new international partnership that changes the unequal relationship between African and the developed world. The continent of Africa holds only 1.7% of international trade.⁶⁹ This is the lowest compared to other continents. African leaders are concerned over this low level of trade figure yet Africa is active in Europe and the USA. The exploitation of the continent's raw materials, commodity

⁶⁷ D.A. Ball, & B Wendell, International Business: Introduction and Essentials, op cit p.236.
⁶⁸ P. Mistly, Regional Integration arrangements in Economic Development – Panacea or Pitfall, Fondad 1996, p. 23.
⁶⁹ World Bank, African Development Indicators, 2003, Washington DC, The World Bank, p. 24.

exports should change. The operational level to change this relationship should change from regional engagement to continental level in trade negotiations. This objective will tie up with that of revising African marginalisation in the globalisation process. Partnership with the rest of the world through NEPAD will spell out terms that will be acceptable to reflect Africa contribution to the world in terms of material and human resources, biodiversity and market.

NEPAD in summary endeavours to restore peace and security in Africa to provide a stable environment for development. In this process poverty will be eradicated and programmes will be instituted to pool natural sectoral resources to achieve a regional set of objectives.

Indeed the pillars of NEPAD include good governance, democracy, peace and security, sound economic policy-making and execution, productive strategic partnership and domestic ownership and leadership.⁷⁰

2.5 The Structure of NEPAD

NEPAD is a programme of the African union designed to meet its development objectives. The highest authority of the NEPAD implementation process is the Heads of States and government summit of the African Union.

At the inaugural Heads of state and government implementation committee meeting held in Abuja on 23rd October 2001, the Heads of States and Governments established

⁷⁰ NEPAD, Annual Report 2002, *op cit.*

a 15 member Task Force for the implementation of NEPAD. A three tier governing structure was accepted for NEPAD as follows:

2.5.1. The Heads of State and Government Implementation Committee

Currently it is chaired by President Obasanjo, with President Wade and Bouteflika as vice-chairpersons. The implementation committee is comprised of fifteen states (three per OAU geographic region), including the five initiating states, South Africa, Nigeria, Algeria, Senegal and Egypt. The composition of the committee is as follows:

- North Africa: Algeria, Egypt and Tunisia
- West Africa: Nigeria, Senegal, Mali
- Central Africa: Cameroon, Gabon, Sao Tome.
- East Africa: Ethiopia, Mauritius and Rwanda
- Southern Africa: South Africa, Botswana and Mozambique

The main function of the implementation committee is to set the policies and priorities and the programme of action.⁷¹ The implementation committee is expected to meet three times per year. The implementation committee meets at least three times a year with the principal objective of reviewing NEPAD programmes. The meetings are scheduled on a quarterly basis to receive updates from country reports. The country reports are a reflection of progress that has been achieved, the constraints encountered, and the way forward. The meetings are vital in fast tracking NEPAD programmes. It reports annually to the African union summit.

⁷¹ NEPAD, Annual Report 2002. Pretoria, NEPAD Secretariat, pp.24-25

2.5.2. The Steering Committee

The second structure is the steering committee. The steering committee is composed of the personal representatives of the five initiating presidents and it is tasked with the development of the terms of reference for identified programmes and projects, as well as overseeing the secretariat.

2.5.3. The Secretariat

The third structure of NEPAD is the secretariat. This is a full-time, small core staff of secretariat located at the development Bank of Southern Africa in Midland, South Africa.⁷² It provides liaison, coordination, administrative and logistical function for NEPAD.

It is also responsible for outsourcing of work on technical detail to lead agencies and or continental reports.

To assist the structures, five task teams were established to urgently identify and prepare specific implementable project and programmes. In terms of working arrangements, South Africa was to coordinate the peace, security, democracy and political governance/banking and financial standards/capital flows initiatives, Egypt the market access and agriculture initiatives; Algeria the Human Resource Development initiative; and Senegal the infrastructure initiative.

⁷² Ibid p. 16

2.6. The African Peer Review Mechanism (APRM)

The African Peer Review Mechanism is an instrument of self-monitoring designed to track the progress and performance of member states in their quest for good governance. The APRM is designed to audit the progress and performance of member states in their quest for governance. This self-assessment tool is intended to ensure that policies and practices of participating states conform to NEPAD's agreed principles and standards on issues of democracy, political, economic and corporate governance. The APRM will thus be a facilitating tool for pressuring the African leaders to conform to democratic practices. These practices will create peace and stability in countries and reduce conflict prevalence in Africa. This will naturally create an enabling environment for DFI, trade and mobilisation of resources.⁷³

Peer review refers to the systematic examination and assessment of the performance of a country by other countries (peers) and by designated institutions.⁷⁴

At the 9th NEPAD Heads of States implementation committee meeting in Kigali, Rwanda it was decided that Kenya would be among the first four "front member" countries to pave the way for the rest of the continent in this innovative initiative. This selection was made in recognition of Kenya's perceived readiness, and it provides yet another opportunity for Kenya to set the pace for others to follow. The other three selected countries are Ghana, Mauritius and Rwanda. Kenya to date has set up structures and mechanisms for peer review. The civil society and the private sector have been invited to participate in the government programmes intended to evaluate

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⁷³ D.A. Ball, & B. Wendell, International Business: Introduction and Essentials. op cit p. 238

⁷⁴ NEPAD, African Peer Review Mechanism, NEPAD Secretariat, 2004, p 28

government performance.⁷⁵ The Kenya NEPAD secretariat is therefore way ahead in the APRM since the programmes have been launched in the provincial level with an aim of gathering data for effective government evaluation.

Recognizing the central role of good governance to the development of a country the APRM aims to help the country undergoing review to, improve its policy-making and comply with established codes, standards and principles of good governance.

It intends to achieve these objectives by sharing of experiences, reinforcement of successful best practices and identification of capacity deficits and assessing the needs for capacity building of participating countries.⁷⁶ The civil society engagements have been identified as a social framework to measure African leaders' commitment to APRM.⁷⁷ The peer review mechanism is meant to monitor and encourage adherence to the NEPAD standards of good governance. The African governments have consistently pledged to be guarantors of the individual, communal and national security of their peoples. They have also made commitments to ensure economic, social and cultural development, peace and security, democracy and good governance. But the majority of the governments have shelved the pledges. The distance of ordinary people from the state and the lack of organised civil society groups to hold governments to account for their action have aided the inadequate approach of governments in fulfilling their numerous promises.

⁷⁵ Interview with the Principal Economist, NEPAD –Kenya Secretariat, Nairobi, For details refer to Appendix I

⁷⁶ Ibid

⁷⁷ F. M'boge, & S.G. Doe, African Commitments to Civil Society: A Review of Eight NEPAD Countries, Pretoria, African Human Security Initiative, p. 1

Thus, the APRM will promote peer learning and capacity building by exercising constructive peer dialogue and persuasion thereby making the process effective, credible and acceptable. Kenya has had key milestones so far as outlined below: -

- i) March 2003 Kenya acceded to the APRM and on 14th July 2004, the first National stakeholders' forum was held to sensitise the public and to discuss and domesticate the APRM questionnaire.ii) On 21st July 2004 the second national stakeholders forum was held to finalize the domestication of APRM questionnaire, elect governors and propose members of the national APR governing council.
- iii) On 26th to 27th July 2004 Dr. Graca Machel and the Kenya APR country support mission visited the country and met with a wide cross section of stakeholders including the corporate sector, parliamentarians, civil society and youth.
- iv) On October 2004 the National APR governing council was formally inaugurated.

The APRM also recognizes that political problems will of necessity make the process of peace building problematic especially when internal conflicts within the states have gone on for a long time. It is therefore necessary that peace and security be taken as paramount in establishing the environment for development.⁷⁸

⁷⁸NEPAD, African Peer Review Mechanism, NEPAD Secretariat, 2004

The NEPAD APRM will succeed in putting pressure among the African leaders through isolation of such leaders from regional forums deliberating on development issues. The mechanism will also entail exclusion from participation in economic and trade negotiations at regional level of those uncooperative leaders. The mechanism will be effective, as leaders' popularity will diminish. The leaders will be forced to up their ratings by enforcing NEPAD ideals to retain their power and influence at the regional levels.

2.7. NEPAD and the Partners

NEPAD is premised upon the hope that the G-8 development partners will provide the required financial backing to its implementation. Indeed at the very inception of MAP and the OMEGA plan, the thinking behind the two initiatives was that if Africa is to get out of the development trap, it must do so by becoming fully integrated into the global economy. The African continent can be fully integrated into the global economy by increasing its participation in international trade through collaborative approaches in bargaining for market access. The market access will reward the Africa's labour, the exploitation of natural resources and the exports from Africa.

The integration of Africa in the global economy will contribute to the alleviation of severe poverty. Indeed, the whole concept of Mbeki's African renaissance is deeply premised on this understanding. His briefings at G-8 meetings were intended to put across this conviction to the economic superpowers and to appeal to them to support the programme upon the understanding that a new Africa had come to the realization that it must be responsible for its own development as long as the donor community plays its part. The G-8 agreed to support African efforts to resolve African

problems.⁷⁹ The donor countries have reached this resolve after realising that aid to Africa is not effective as was expected. The donors have reduced their net funding to Africa since mid – 1990s as illustrated in the table below.

Aggregate Net Aid Transfers to Africa 1994 – 2000

YEAR	AMOUNT OF AID IN US\$ (in billions)
1994	10
1995	12
1996	5
1997	10
1998	1.8
1999	3.8
2000	2.2

Source: *The UNCTAD Report on Least Developed Countries*, UNCTAD, 2000

The above table illustrates a decline in foreign aid to Africa in a span of six years. This indicates that Africa's significance to the developed world has no much value in terms of economic benefits. The economic benefits would have drawn more funding. The economy in Africa declined in productivity prompting withdrawal of aid. Nevertheless Africa despite receiving aid did not register growth. Neither did it register improvement albeit withdrawal of aid.

The donors have been forced to discuss exit strategies for aid since aid has been reflected as a hindrance towards developments. Factors identified as contributing to hampered development through aid include: incoherency among donors, volatility of aid money, stifling conditionalities, pursuit of ideologically driven policies and tying down counterpart human material resources.⁸⁰ With this understanding donors have opted to support the NEPAD initiative to realise Africa Development through initiation into the global economy.

Peace, stability and the eradication of poverty were seen as among the most important challenges Africa faced in the new millennium. The G-8 also welcomed the New African Initiative, which in their view was based on the principles of responsibility and ownership, with an emphasis on democracy, transparency, good governance, rule of law and human rights, as fundamental factors of development. This initiative, in their view, provided the basis for a new intensive partnership between Africa and the developed world.⁸¹

The G- 8 pledged to a partnership that will support the key themes of the New African initiative including:

- i) Democracy and political governance: The support at this level will be realised through support in aid towards establishment of transparency and democratic ideals in states.

⁸⁰ J. Forster, & O. Stokke, Policy Coherency in Development Co-operation. London: Frank Cass, 1998, p. 264

⁸¹ D. W. Nabudere, NEPAD, Historical Background and its Prospects, Heinrich Boll Foundation, Nairobi, 2002

- ii) Prevention and reduction of conflict: This will entail supporting peace processes by giving both personnel and financial resources to institutions facilitating this cause.
- iii) Human development by investing in health and education, and tackling HIV/AIDS, TB and Malaria through Global AIDS and Health Fund.
- iv) Information and communication technologies
- (iii) Economic and corporate governance Action against corruption
- v) Stimulating private investment in Africa
- vi) Increasing trade within Africa and between Africa and the world.
- vii) Combating hunger and increasing food security

Robert R. Fowler, personal representative of the Canadian Prime minister for the G-8 SUMMIT African plan delivered to the Canadian Institute for International Affairs on November 15,2001 had this to say about NEPAD:

“In effect this initiative, this new partnership the NEPAD, acknowledges that current approach to pursuing development in Africa simply has not worked that there is not enough to show for billions of dollars and decades of development assistance. It can be argued also that the authors of the New African initiative understood fully well that they had to do something about it and something fast because tolerance both inside and outside Africa for this constant demand that we reward failure and continue to reinforce it without much reinforcing of success was a paradigm that simply had to change. So NEPAD offers a different kind of paradigm. It offers the prospect of

concentrating engagement on those countries that are prepared to take political and economic decisions necessary to make this a new plan to work.”⁸²

From this tacit observation, Fowler acknowledges that the current approach of pumping aid to Africa has not worked. The many years of aid to countries has resulted in more poverty. The aid has not essentially been used in the sectors that can be helpful in jumpstarting the economic growth. Aid can be more effective if directed into sectors that are supporting a country to achieve self-sustenance in economic growth. These sectors include training highly skilled manpower, infrastructure development and enhancing transparency among regimes.

Similarly the programmes designed by international institutions and the developed countries have been unsuccessful as a result of poor consultation with the specific countries and they designed uniform programmes to suit the whole continent.⁸³ An example that Kenya experienced failure is on the cost-sharing programme in providing public health. The poor would not afford the fee required in the public health facilities. This led to a rise in maternal and infant mortality. The government had to reverse the exercise long after the larger percentage of the population had suffered.

On the other hand the Western countries have pushed African countries from exporting their agricultural products and so depriving them of desperately needed

⁸² R. K. Fowler, op cit p.18 2001

⁸³ J. Stiglitz, Globalisation and Its Discontents, op cit p 6

export income. It is from this hypocrisy that Africa will never acquire considerable economic growth.

NEPAD steps in to address the anomaly of Western countries designing programmes and pushing them into Africa without sufficient consultation. NEPAD realises that Africa's underdevelopment is anchored on various factors. It recognises that aid is not a remedy to Africa's underdevelopment but rather market access in developed countries is a chance for revolutionising the continent's severe poverty. The poverty can be tackled in an environment where there is democracy, proper governance in public and private sectors, presence of peace and security, respect for human rights, appropriate resources mobilisation and partnership with African citizenry and the rest of the world. NEPAD hence shares a wide vision whose focus is on the whole continent. The previous initiatives lacked the connection between stakeholders, the African people and intellectual guidance for Africa regional integration. On this basis the uniqueness of NEPAD is isolated and viewed to steer Africa to a future successful growth and development. The development plans laid by African governments will probably have a chance to improve people's lives an agenda that has been elusive for a long time.

With this understanding, the process of developing the G- 8 African plan on the basis that some countries will be isolated and marginalized while others are rewarded had began.

Fowler in his speech stated that their responses will consist of their own conclusions about how to make NEPAD work, deciding which challenges to take up immediately. This process is also supposed to involve the United Nations and key non G- 8 development partners, many of who, according to Fowler have been an awful lot more generous to Africa than most G-8 countries and more committed in their support. Such countries include the Nertherlands, Norway and Sweden.⁸⁴

The non G-8 countries and the United Nations can contribute to NEPAD initiative in various ways. First they can provide needed resources to operationalise the NEPAD programme. NEPAD's designed programmes are slowly taking off due to lack of funds. The input from development partners will be a relief as the pace of scheduled programmes will be hastened.

Secondly, NEPAD lacks sufficient staff to run its programmes. The partners can provide technical assistance and training, and facilitate programme designing. These forms of partner intervention will help Africa as a junior partner in international relations to achieve respectability and sell the ideas of the initiative across the world.⁸⁵

2.8. NEPAD and Development

NEPAD was initially conceived as a development strategy aimed at helping Africa to address the problems of poverty and underdevelopment, thereby placing the continent on the part to self reliant and sustainable growth and development. In this way it was

⁸⁴R. K. Fowler, op cit p. 24

⁸⁵S. Dogonyaro "Partnerships and NEPAD" in Nyong'o P.A. et al op cit p. 323

hoped that Africa could enjoy a respectable position in the globalising world. Africa has contributed much towards the global political economy. The continent has provided raw materials especially minerals for the industries in the west. Similarly it provides market for the manufactured products in form of electronics and machinery. Globalisation should reduce the sense of isolation to the marginalised Africa.⁸⁶

Africa has depended on the West for manufactured goods and has sustained the supply of raw materials. This relationship needs to be changed since there is unbalanced gain from this trade equation in favour of the West. NEPAD intends to push for this change by providing a forum whose purpose is to bargain for Africa's position in the global economy. It is part of African's effort to reclaim the 21st Century. NEPAD emphasizes partnership between governments of Africa on the one hand and between governments and non-state actors at the national, regional and global levels. As a development strategy NEPAD had generated considerable interest among leaders both in Africa and elsewhere. This is partly because NEPAD has some very interesting and innovative ideas that were not part of previous development experiments.⁸⁷

At independence in 1960s, African countries ranked among the least developed, the least industrialized and the least secure places in which to be born.⁸⁸ People were

⁸⁶ J. Stiglitz, Globalisation and Its Discontents, op cit p.4

⁸⁷ P. Wanyande, NEPAD and security in the IGAD region. Nairobi, 2004, p. 70

⁸⁸ T. Mkwandawire Years of African Independence: The Economic Experience. Nairobi Academy Science Publishers 1992, p 39

insecure because of rampant poverty, disease and ignorance which made it difficult for people to meet their basic daily needs.

The major ingredients for developing the continent were identified as capital, human resources, modern technology, and modern values.⁸⁹ Consequently the development of Africa was pegged on the infusion of these ingredients from foreign countries. Despite the massive assistance given to the continent by its traditional development partners, the continent continues to be least developed in the world.

Although NEPAD saw partnership with the rest of the world as essential to the success of the initiative, the focus of NEPAD was not to be based on increased aid but on increased investment in viable infrastructure and business opportunities. It was also to be based on market access. These values however face challenge from the west. Most countries in the west are wary of the losses likely to be encountered as a result of reforming their markets to allow Africa some access. The countries at individual or regional level are opposed to the implementation of free access of their market directly or indirectly. In indirect form they form lobbies for denying market access and directly they impose barriers to trade. Africa will definitely face a challenging task in negotiating for the removal of these barriers.

The changes on Africa's focus will provide a gateway for Africa to assert its potential in global economic development. Economic development for Africa will be realised if Western Countries do not use international institution to push their agenda and

⁸⁹P. Wanyande, NEPAD and security in the IGAD region, op. cit, pp 22-23

garner disproportionate share of the benefits at the expense of developing countries.⁹⁰

The terms of trade at global level should not favour the industrialised countries while making the poor countries worse off. The quotas imposed on African countries should be removed and Western countries get rid of subsidies that make their products more competitive and kill local industries. In this context Africa can favourably be integrated into the global political economy.

Nevertheless, targeted aid and technical support to address capacity constraints and urgent human development priorities would still be required. NEPAD in proposing the partnership with the outside world recognized that Africa itself held the key to its own development. The adoption of a development strategy, together with a detailed programme of action was to mark the beginning of a new phase in the partnership and co-operation between African and the developed world.⁹¹

The implementation of national strategies for the achievement of sustainable development by this year so as to reverse the loss of environmental resources by 2015 is targeted. All these hopes are anchored on the need to promote peace, democracy, human rights, sound economic management regional co-operation and economic integration.

2.9. NEPAD and other Linkages

NEPAD has been engendered through the vision of the AU. AU through the department of the Economic Commission, deliberated on the way forward for Africa

⁹⁰ J. Stiglitz, Globalisation and its Discontents, op cit, p. 47

⁹¹ D. Nabudere, NEPAD: Historical Background and its Prospects, op cit, p. 52.

through improved volume of trade. NEPAD is a mandated initiative of the African Union to foresee the implementation of the African regional integration in economic growth. NEPAD has been constructed and came into existence through the AU initiative to transform Africa's development.

Therefore, it is important that it be linked to existing initiatives and programmes for Africa. NEPAD should work in collaboration with the AU and regional economic communities to spell out programmes that will enhance the objectives of these regional organisations. The regional organisations should similarly consult NEPAD secretariat on their regional programme endeavours to carry out common objectives in their work programmes. In providing the focal point and the overall strategic framework for engagement NEPAD does not seek to replace or compete with these initiatives and programmes but rather to consciously establish linkages and synergies between NEPAD and existing initiatives.

In this way all activities focused in Africa can be pursued in an integrated and co-ordinated fashion within the framework of priorities and needs identified by Africans for themselves.⁹²

Major effort is also ongoing to continuously factor NEPAD imperatives into outcomes of international conferences such as the conference on financing for

development, the world summit for sustainable Development and the world trade organization to ensure integration of NEPAD into the multilateral system.

2.10. Conclusion

From this overview of NEPAD, the objectives it has set can be achieved through collaborative approaches in Africa and the developed countries. The initiative itself is posed to succeed if given adequate support from the G8 countries. The reasons for the African renaissance has been identified here to be lack of own initiative. The NEPAD provides such African designed path for economic growth and development countries in the North have pumped aid into Africa for a long time but have remained closed in their markets. Market access remains the single opportunity for African countries to be integrated in the global economy. Market access should take the form of balanced terms of trade among the African and Western Countries. The advanced countries should open up their markets to the goods of the developing countries. They should remove all tariff and non-tariff barriers that impede Africa's goods from getting a favourable market share in the developed countries. The Western markets should stop being protectionist while they force African Markets to open up fully. The initiative based on the set goals and linkages may drive Africa into economic prosperity. If NEPAD lobbies effectively for Africa's market access in the West and African countries manage to effectively reallocate resources to sectors that can spur growth and economic development, then Africa will rid itself of extreme poverty. This will make the continent have sustainable growth and development in all major sectors.

CHAPTER THREE

3.0 A CRITICAL EVALUATION OF NEPAD INITIATIVE IN KENYA AND AFRICA

3.1 INTRODUCTION

This section of the research will endeavour to make a critical analysis of the NEPAD initiative in Africa. It will make a survey on the approach NEPAD has undertaken to address Africa's underdevelopment and the achievement they may eventually yield. The section shall further look at the programmes outlined by NEPAD and their consequences on Africa's political economy. From this analysis a brief discussion on the challenges of NEPAD will be evaluated. The chapter will further evaluate the significance of partners in the NEPAD initiative. The partners in the North are deemed essential for the initiative to be successful. But their will might tilt the initiative to fit their interests. The attitudes of the donor community and trade partners will determine the long-term achievements of NEPAD especially in trade and market access. NEPAD's financing and resource mobilization will heavily depend on the developed states' opening up and accepting the initiative.

Besides the donor cooperation, the chapter shall evaluate the sectoral priorities to address rapid economic growth. These will be coupled up with the evaluation of the environment, gender issues, regional integration and social mobilization. The chapter will tie together the issues that emerged in the preceding chapters to get a comprehensive perspective of NEPAD initiative stand on the purpose of economic growth.

3.2 Africa and Global Economy

The NEPAD initiative has been criticized at various forums. The criticisms are advanced for various reasons. It has been argued that NEPAD initiative is not different from other previous African initiatives. The African leaders however have realised the African potential at a time globalisation is entrenching itself through regional integration. NEPAD is therefore an acceptance that Africa should be part of the global process in economics. Neo-liberal perspectives aver that NEPAD is an acceptance by African leaders to strengthen the position of the powerful countries economically.⁹³ The powerful states whose economies are stable and advanced are having excess wealth they intend to invest abroad. The investments can come to Africa if they are assured of safety, large markets envisioned through integration and guaranteed policies in governance.

Neo-liberal thought is embedded on free market principles and firms are free to invest across the borders with no government controls. The Western enterprises are using their governments to gain control in African markets. Therefore Africa does not stand a viable chance to benefit from this arrangement. In Africa the Republic of South Africa is the client state for steering forward the trend of neo-liberalism. Its lead in the NEPAD initiative is a pointer to the quest to lead other states in accepting the initiative.

The top-down approach to African development is bound to fail if the civil society is not corroborated in the programmes.⁹⁴ The top-down approach views development

⁹³ G.M. Meir and J. Stiglitz (Eds) *Frontiers of Development Economics*, New York, Oxford, 2001, p 14

⁹⁴ E. M'boge & S.G. Doe, *African Commitments to Civil Society Engagement: A Review of Eight NEPAD Countries*, Pretoria, African Human Security Initiative, 2004 p 33

plans and initiatives to be directed from the government to the people. The people are bound to reject the NEPAD outlook if the people centred approaches to development are not adopted in the African economic integration to alleviate poverty. This argument however is weak since few good ideas ever come from crowds, committees or commissions. If anything most ideas that have inspired mass movements and changed societies for the better or for the worse have come from individual persons. Hence there was nothing inherently wrong in Thabo Mbeki, Abdoulaye Wade, Olusegun Obasanjo and Bouteflika coming up with the NEPAD agenda and seeking to influence the course of Africa's history hopefully for the better.

NEPAD accepts globalisation as a reality and something to engage and challenge with appropriate governmental policies and economic measures that will reshape the flows of world trade, undo global inequalities, democratise political and social systems and institutionalise global social democracy.⁹⁵

It is necessary to examine the promise that NEPAD makes to the African people. While it must be acknowledged that Africa must improve its position in the global economy, this has to be done by a concerted effort on the part of the leaders to deal with the very problems, which they want their partners to solve. For example one of the central issues, which NEPAD tries to address is conflict among African states. Such a solution does not always require foreigners as partners to handle. The African leaders have proximity and understanding towards African conflicts. The creation of African institutions for conflict management and poverty eradication such as IGAD,

⁹⁵ J. Stiglitz, Globalisation and Its Discontents, op cit p. 14

ECOWAS and SADC are examples of what the African leaders can put in place to help the continent attain reasonable economic growth.

Secondly Africa is already part of the global economy. Africa does not need to seek partners to join the global economy. Moreover Africa is the most open part of the global economy yet the continent is the most exploited.⁹⁶ The continent exports most of its natural resources to industrialised countries for processing. The processed goods are later re-exported to Africa at very high prices yet they purchase the raw materials at very low prices. The poverty levels in Africa increase as result of Western firms' strategies of marketing. Its marginalisation does not lie in its being excluded from the global economy but in being the most exploited in that global economy. Trade statistics indicate Africa has 5.8% share of the world trade as compared to a single country like Japan having a share of 28.3%.⁹⁷ Despite the contribution of Africa's share in global economy in terms of raw materials and semi-processed goods, it encounters barriers to trade in developed countries.

The implementation of NEPAD programmes is tied with its institutions.⁹⁸ The continent should envisage integrating the continent economically and politically if African states are hoping to have a strong bargaining power in global politico economic decisions. The fact that African leaders have opted for external financing shows that they are prepared to accept the dictates of the G8 countries in the implementation of NEPAD. The previous experiences in Africa especially with the

⁹⁶ World Bank, World Development Report, 2002.

⁹⁷ Ibid

⁹⁸ For more details refer to Chapter 3, Footnote 87

IMF and World Bank, the donor community has always decided unilaterally on which programmes Africa should embrace for economic development.

It is from this point of view that the real basis of African unity is being ignored by the African leaders who are in haste to deal with their development partners. The partnerships between Africa and the donor community should be mutually beneficial. The financial assistance should not be tied with conditions that drag the African countries economic performance downwards. NEPAD is already being used to exert pressure on African leaders to accept worse political conditionalities than those, which were imposed under structural adjustment.⁹⁹

Aid has been and still has been used partly as a security instrument for donor countries. Donors use it to protect their national interests in the developing countries. Once the pressing issue is addressed to their expectation they retract the aid. It is observed that aid declined since the collapse of the Soviet Union. In its recent report the World Bank reported that aid to Africa had declined from US\$ 17.5 billion in 1990, soon after the collapse of the Berlin Wall in 1989 to US\$ 12.3 billion today. In these circumstances, African government pinning their hopes on investment to the tune of US\$64 billion per year for NEPAD is too much of a dream.¹⁰⁰

While it is true that the African people have long demanded that their governments ensure peace, stability and democracy in their countries, these genuine democratic demands cannot be made a condition for improvement of the global system of

⁹⁹ P. A. Nyong'o, (Ed.) NEPAD: New Path for Africa' Development, op cit p 234

¹⁰⁰ D. N Nabudere in P.A. Nyong'o, NEPAD: New Path for Africa' Development. op cit, p 118

governance as NEPAD has done. Democratic rights of the people must be guaranteed with or without NEPAD. The people of Africa fought for these political rights, which have been denied by the postcolonial states.

The starting point for NEPAD in the opinion of Nabudere was not to try to get a commitment from the African leaders to engage with globalisation with a view to doing things differently, but to question and demand the dismantling of those structures of economic and political relations between the north and south that made African sustainable development almost impossible.¹⁰¹ The structural barriers arise from the World Bank and the IMF who give loans on the basis of the donor community's approval. In addition they give approval to their MNCs the extent of technology transfer to the African states. All these arrangements impair the growth of Africa's economy.

This trend has led to some heads of states questioning the right of the developing partners to demand good governance as a basis for economic cooperation with African and other parts of the South. President Ben Mkapa of Tanzania addressing participants in a four-day symposium organized by the Mwalimu Nyerere Foundation in Kampala on April 11, 2002 on peace and conflict resolution in the great lakes region, wondered whether when development aid or loans are made conditional to certain domestic decisions regarding political, economic or social systems is not a breach of the United Nations charter on sovereignty.¹⁰² Sovereignty empowers countries to determine country specific programmes without the interference from

¹⁰¹ *Ibid*, p 124

¹⁰² *Ibid*

external forces. While Western countries can infringe the sovereignty of African states, on the contrary African states are not able to. The struggle for power is hence a factor in favour of the powerful.

The civil society insists that the African recovery advocated by NEPAD cannot in fact be achieved under existing global conditions. The trade patterns between the third world countries and the developed countries are tilted to favour the manufactured products as opposed to raw materials from Africa.¹⁰³ The economic growth is based on technological development and FDI. The two factors favour the developed states as they selfishly safeguard their technology and prefer to invest in each other's territory in preference to Africa. It is also important for the African governments and society to work for a new world. Instead of globalisation benefiting the entire world's people the present order has globalised poverty rather than development, violating rather than respecting the national sovereignty of states. Instead of promoting solidarity between peoples, neo-liberal globalisation continues to advocate the unequal competition of the market place.

The civil society also argues that all illusions that economic globalisation promotes growth or development should be exposed. There is no casual relationship between increases in capital flows and economic growth, nor is there one between increased trade and development.

For example since the growth of the financial sector under globalisation that has taken

¹⁰³ P. M'boge & S.G. Doe, African Commitments to Civil Society Engagement: A Review of Eight NEPAD Countries, op cit, p. 76.

place since mid 1980s, growth of the world economy between 1975 and 1998 amounted to less than half of what had been attained between 1945 and 1975 in the period of Keynesian policies of market regulation and the active participation of the state in the economy.¹⁰⁴ State control over growth and economic programmes does not lead to efficient allocation of resources. The private sector seems to give efficient allocation of resources and can determine the pace of economic growth. The profits realised from private enterprises can be reinvested for the expansion of consumption of capital goods, which indicate a country's ability in economic growth.

Similarly economic globalisation has not taken place in conditions of free market. On the contrary countries that have opened more to western pressures have suffered, while those, which close certain sectors of their economies such as China, have shown high levels of economic growth. Free market economy should allow countries determine the pace for opening their economic sectors for prosperity. Some sectors need safety nets to restrain external forces that may impair the structures for economic control.¹⁰⁵ The economic measures of a country allow it to determine the balance of payments and terms of trade with the rest of the world. All the developed capitalist countries with vast resources and economic surpluses have never opened their entire economies to the outside world. All of them have engaged in agricultural protectionism over the last sixty years. Apart from agriculture, other industries such as textiles clothing and even steel are highly protected by the developed world against the poor countries.

¹⁰⁴ F. Castro, "This is not the time for Begging", An Opening Address at the South Summit, Rio De Janeiro, 2001

¹⁰⁵ J. Stiglitz, Globalisation and Its Discontents, op cit pp 132-133

According to Oxfam, the export earnings of the countries of the South could rise by over US\$ 127 billion if the rich countries, which protect these industries, were to open them to exports from the poor countries. Moreover agriculture, textiles, clothing and leather products are the sectors in which Africa and other poor countries have a comparative advantage.¹⁰⁶ The countries in the West could not lose but rather benefit from importing the raw materials cheaply for processing and re-export finished products at higher prices. These countries can reallocate the resources from agricultural sector to the industrial manufacturing and realise higher returns from their comparative advantage.

As Africa enters the 21st Century her people are faced with the basic problems of survival that they expected to have overcome after almost half a century of political independence. This is despite the goals set at independence in virtually all African countries, declaring war against poverty, ignorance and disease. The onset of diseases such as HIV/AIDS, which have invaded Africa with a vengeance against the backdrop of increased violent conflicts has further aggravated Africa's precarious situation.¹⁰⁷

As pointed in Chapter Two, NEPAD provides an African initiated and driven framework for interaction with the rest of the world with the long-term vision of eradicating poverty and promoting the role of women in all activities.¹⁰⁸ The responses to the proposal have been varied and the discussions, avid and rich reflecting varying view points with some calling for a total rejection of NEPAD,

¹⁰⁶ D. N. Nabudere, , NEPAD: Historical Background and Its Prospects, op cit, p. 124
¹⁰⁷ UN, From Growth to Sustainable Development, Washington, UN, 1998, p. 25
¹⁰⁸ NEPAD, Annual Report 2002. Nairobi, NEPAD Secretariat p 6

unless it is completely overhauled after intensive debate by all African people. This perspective holds that NEPAD represents tying the weak African economy to the strong economy in the north through the lenses of globalisation, thus propagating the neo-liberal economic agenda of the north, which is being re-introduced in Africa as globalisation.

The other perspective evident is that African leaders merit a chance to reverse the numerous crises in the continent which they are proposing to as outlined in the NEPAD document and that their acknowledgement of the need for a renaissance in Africa and of the concepts of democracy, accountability, transparency and peer review should account for more than the pessimistic criticism and call for dismissal of the document, being called for by some scholars.¹⁰⁹ Africa's economic woes are founded on leaders' inability to combat corruption and economic mismanagement in the public sector, which is fundamental in steering economic growth forward. The NEPAD principles endeavour to make African leaders take a collaborative approach in reviving economic performance through good governance.

NEPAD's adoption of the principles of self-reliance, self-sustenance to a citizen centred development process world greatly strengthens this discourse and process.¹¹⁰ Focus should be put on attracting back the large amounts of funds, which have been siphoned out of Africa through capital flight instead of emphasizing foreign direct investment into Africa's economies in filling the US\$ 64 billion per annum resource gap. This objective can be arrived at through creating an enabling environment for

¹⁰⁹ Ibid
¹¹⁰ For details refer to Chapter Two in this document.

free movement of capital and financial investments in the countries.

Unlike other previous initiatives like Lagos plan of action, NEPAD tackles the issue of good governance frontally and goes ahead to set up institutional mechanism that can put politics at command of economics in Africa.¹¹¹ NEPAD is also not shy to speak about democracy, and seems to be more sensitive to the role of subjective factors in the process of social state and institutionalising the rule of law. It must also be seen in respect for human rights enhancement of social solidarity and hence reproducing a democratic and developmental state overtime. Democracy engenders an environment that is attractive to investors and builds confidence among business community who are responsible in running the private sector. This is what was behind Samir Amin's thesis of the popular national and sovereign state in Africa as a negation of the neo-colonial state.

At the same time while fully conscious of the structural constraints that the world economic system places on the potential for development in Africa, NEPAD openly admits engagement as the only viable alternative.¹¹² This concept partnership is used to denote this engagement, and it is argued that this does not lead to dependence or subservience, but seeks to transform structural dependence into structural partnership overtime. The engagement will involve renegotiating international trade arrangements to improve equity in world trade organization (WTO) rules and regulations especially the protectionist regulations adopted by the developed countries.¹¹³ This can be made

NEPAD, Annual Report 2002, Nairobi, NEPAD Secretariat, p 8

Ibid

Stiglitz, Globalisation and Its Discontents, op cit p 33

possible if Africa stands to negotiate against the developed world in unison.

NEPAD takes issues of peace, security and human rights as critical to any prospects for development in Africa. To create an enabling environment for economic growth, peace and security are the basic factors to attract investment locally and internationally.¹¹⁴ In this regional integration, priority must be given to the settlement of debilitating internal conflicts in Africa and the creation of political democratic order. Through institutional mechanism, public discourse and accountability in NEPAD should be promoted.

Unlike previous African initiatives NEPAD has been so well received by the donor community and the Bretton Woods institutions since its publication in 2001. An increasing measure of self-reliant and self-sustaining development is the only way to achieve economic decolonisation through transformation and diversification by promoting sustainable human development. In other words, the process of self-reliance involves various factors.

First the internalisation of the forces of demand which determine the direction of development and economic growth process and patterns of output. States should therefore not interfere with the market processes to create an impression of economic growth that is not sustainable.¹¹⁵

Secondly increasing substitution of domestic factor inputs for external factor inputs is

¹¹⁴ Institute of Security Studies, Conflict and Economic Growth, Pretoria, ISS, 2002, p 24
¹¹⁵ J. Stiglitz, Globalisation and its Discontents, op cit, p. 123.

essential in an economy dependent on primary products. African states should seek ways for doing away with external factor inputs like capital and technology and substitute it with appropriate technology in modes of production.¹¹⁶

Increasing participation of the people in the production and consumption of the social product is an alternative to relying on FDI. The local people should be encouraged to participate in traditional industries and shift consumption from imported products to locally manufactured goods.¹¹⁷

Increasing self-sustenance through promotion of the patterns and processes of a holistic human development in which the different sectors and sub-sectors, programmes and activities mutually support and reinforce each other. When these variables are related to the internalisation of the forces determining demand and supply, the whole economic social and political systems develop their own internal dynamics.¹¹⁸

Therefore in seeking a new and effective partnership with the international community, which could lead to a Marshall, plan for Africa's recovery, NEPAD must not compromise these cardinal principles of self-reliance, self-sustenance, socio-economic transformation, holistic human development and the democratisation of the development process.¹¹⁹ The economic take off will be realised if African countries demonstrate they can sustain the internal demands for sustainable growth. External resources cannot determine for Africa the pace for economic reforms. Rather

¹¹⁶ Ibid

¹¹⁷ Ibid

¹¹⁸ Ibid, p 124

resources in Africa can be projected on how fast and to what extent economic programmes can be managed. Hence NEPAD in seeking to draw more resources from the donor community and more direct supervision from the various international institutions, particularly the world Bank and the IMF that have directed the development path of virtually all African countries since independence must ensure that the African people and their governments occupy the drivers' seats of the development train. In other words NEPAD should aim to cut Africa loose from the noose of both multilateral and bilateral financial institutions rather than tighten. It should not be predicated on the assumption that its goals will be unattainable without tightening further the colonial umbilical cord.

An African peer review mechanism (APRM) provided for in NEPAD will only work if judgment always falls in line with that of the donors.¹²⁰ Whenever it does not, the aid may stop flowing and the trade may become less free. There is always a childlike variety among African leaders and policy makers that rhetoric and reality are the same and that claiming ownership is tantamount to having it. It is the Africans who are claiming that they are forging a partnership. The African ownership, which is claimed, is no more than the ownership of the heads of government and their immediate advisers. This has been observed among the poverty reduction strategy papers that have been publicised by governments in Africa but none has implemented fully the policies contained in those papers. This must be corrected without further delay.

¹²⁰ For Details refer to the Article on South East Asia Economic Miracle in the Economist, July 6-13 1992.
¹²¹ For details Refer to Chapter 4 in this document, Section 4.3.8, on African Peer Review Mechanism.

The international community on their part must move from mere expression of support and enter into a contract with Africa, which will be in support of development goals and policies of the international partners being devoted to achieving those African – determined goals. But first and foremost, the debt problem must be resolved and conditionalities and cross-conditionalities must become a matter of the past.

Olukoshi asserts that the democracy and governance initiative of NEPAD raises more questions than it answers. There is no critical examination on the said programmes of NEPAD. It seems designed to pander to a donor audience than responding to or representing the concerns of the domestic political forces in the struggle for the reform of the African political space and development agenda.¹²¹ The major concerns in the initiative are donned to reflect the expectations of donor countries in terms of trade and market access in Africa.

On financing of the NEPAD an element of caution within the African circles should be exercised to counter-balance the rather surprising expectation that African's initiative will receive that much support.¹²² In the era of globalisation and at a time when African heads of state are making strenuous efforts to persuade foreign governments and institutions to fund NEPAD, it might seem foolhardy to talk about self-reliance in so far as financing development is concerned and especially for Africa whose need for investment and marginalisation from global financial markets would seem so patently clear.

¹²¹ A. Olukoshi, in P. Nyon'go, et al, NEPAD. A New Path? op cit, p. 43
¹²² Refer to Chapter Two, Section 2.6. on African Peer Review Mechanism

Self-reliance does not simply mean funding much of one's investments from own savings but also controlling the capital inflows and outflows so that they comply with national priorities regarding development. It means having to decide which flows are desirable and which are not. Africa must cultivate the virtue of self-reliance. This is not to say that the continent should totally cut itself from outside contributions. However, these outside contributions should only supplement our efforts they should not be the mainstay of our development. As a consequence of the need for increased self-reliance Africa must mobilize her entire human and material resources for her development.

NEPAD is premised on decisive external support, a fact dramatically illustrated by the fact that no sooner had the document been signed and before any discussion of it within Africa; than it was presented to the group of eight. Mkandawire argues further that it is prudent for African countries to work in the assumption that they are unlikely to be beneficiaries of capital flows.¹²³ And that should any flows come on their way, they should be better perceived as supplementary rather as the driving force. Unless NEPAD is rethought and placed on the path of collective self-reliance, but this time round firmly anchored to democratic practices and aware of exigencies of a highly competitive world, there is a danger that NEPAD will be reduced to a kneepad and the Achilles' heel will be how we visualize the financing of Africa's development.

For Africa to slice up the value chain in the process of globalisation, NEPAD says the continent must be prepared to undertake massive investments without these,

¹²³ Mkandawire, Partners and NEPAD Initiatives, An Article in Nyong'o, P.A., (Ed.), NEPAD Initiative, op cit, pp. 162-176.

NEPAD's vision will remain merely rhetorical.¹²⁴ But where are these investments going to come from. In the entire NEPAD document this is the most critical question. Where is the money going to come from to get Africa out of its present state of underdevelopment and marginalisation? No amount of dreaming about new visions, or about new kind of leadership in Africa, will amount to much unless ways are found to finance the new vision. NEPAD hopes that the capital will come from its partners, but first of all Africa must put its house in order. The sentiment behind NEPAD is noble and it aims to put Africa on a self-reliant path to development where African themselves own the processes. The intentions notwithstanding, the practical effect of NEPAD would be to surrender the human rights of the people of Africa to the whims of a volatile and untrustworthy global capital. NEPAD's noble intentions may be embraced, but the strategy for self-reliance is just that self-reliance, not foreign direct investment reliance.

Democratic values are being struggled for and sustained in the 21st century in most states. Each country based on its own experience must determine the form of democracy it wants to practice. For example North African countries like Libya and Egypt share Islamic democratic values but Libya remains under a dictatorial regime while Egypt practices democratic elections for its head of state. African governments must respect economic and political rights if NEPAD is to succeed. It should be noted that the Asian Tigers experienced significant growth and development under dictatorial regimes. Asian Tigers embraced resource mobilisation and reinvestment through domesticating the economic policies used elsewhere. For economic takeoff

¹²⁴ Refer to Chapter Two, Section 2.1. Introduction

the countries created an enabling environment for investment and attracted foreign direct investments.¹²⁵ Therefore, while democracy is desirable it is not a *sine qua non* for economic emancipation. Nevertheless economic governance must go hand in hand with good governance not democracy. Issues of transparency accountability and legal framework for conducting business are crucial elements if NEPAD is to realize its goals.

Managing the external debt will pose challenges for NEPAD. Debt overhang has direct adverse effects in growth and investment. High debt creates expectations for future taxes and policy reversals, which reduces incentives for current investment, while high fixed debt service obligations increase leverage and raise uncertainty, especially if donor funding is decided on a short-term basis. If resources were to be freed to enable NEPAD to succeed then there is the urgent need to resolve the debt crisis. Transnational corporations, their economies and their foreign policies have been benefiting immensely from the persistence of the foreign debt crisis. African leaders must seriously consider a case for collective debt cancellation especially as all attempted palliatives have found no solution to the debt crisis.

NEPAD is anchored in the belief that the international community, particularly industrialized countries, will co-operate with Africa in her desire to achieve sustainable growth and development in the 21st Century. The performance of the African economy in general during the period 1980-2004 is unsatisfactory.¹²⁶ This can be attributed to inconsistent macro-economic policies, adverse terms of trade, low

¹²⁵ J. Stiglitz, *Globalisation and its Discontents*, op cit, p. 78

¹²⁶ World Bank, *World Development Report 2004*, Washington, World Bank

savings low investment, HIV/AIDS epidemic, insecurity and incessant conflicts. However, there is a growing consensus among African leaders that good and sound macro-economic management are necessary for growth and development.

NEPAD espouses for the resource mobilization strategy (RMS) to get its programmes underway. RMS of NEPAD requires US\$ 64 billion to implement.¹²⁷ This figure is highly proportioned. The experience in Africa since the 1970s has shown the limitations of the neo-liberal approach to development. The ideological underpinning behind the RMS in a global environment where power relations between Africa and the North are highly unequal is considered unrealistic and naïve. Access to markets for African's goods remains limited due to barriers engineered by developed countries. Under the WTO countries are required to remove barriers to trade and facilitate increased trade volume without restrictions. This has not been achieved and developed countries would like to maintain a status quo by insisting on protectionism. Eventually NEPAD will not have a strong financial base to implement its programmes. The vision to reduce poverty through its own initiatives is dimmed due to lack of the means to access markets in the North for its goods.

The capital flows initiative (CFI) of NEPAD appears oblivious of the harsh realities where in recent years Africa harshly managed to attract the smallest amount of flows.¹²⁸ It also seems to ignore the potential pitfalls for countries to rely on private capital flows of the type of which saw most Asian countries dip into a financial crisis in the recent past. Africa therefore should intensify efforts and rely more on domestic

¹²⁷ T. Moyo, Resource Mobilisation Strategy of the NEPAD: A Critical Appraisal, p. 1
¹²⁸ For more Details Refer to Chapter Two, Section 2.6. on African Peer Review Mechanism

mobilization of resources. To do that successfully, the continent needs to identify the underlying cause behind the poor performance in terms of mobilizing local resources through fiscal, domestic financial and capital markets. Priority should be to improve governance of central and local government, the corporate sector and community levels.

A more inward looking approach to resource mobilization should not be interpreted to mean total exclusion of external sources of capital. Rather in view of the historical record, Africa needs a more selective approach, which ensures consistency with its own development agenda. NEPAD needs to recognize that in a global environment where the distribution of power both economic and political is distributed unfairly between developed and less developed countries, the struggle for better terms of trade for African goods remains a challenge, which calls for African leaders to unite and challenge effectively the institutions, mechanisms and policies, which continue to marginalize Africa.

NEPAD clearly appears to ignore the ideological dimensions of external funding and a market based model of development in a harsh globalized environment despite the failures of aid and transnational capital in promoting pro-poor development in Africa, the overriding concern of the initiative appears to be the access to the capital rather than any moral, social or political considerations. Since NEPAD emphasizes that its strategy is meant to help African to achieve the poverty reduction goals articulated in the millennium development goals (MDGS), the initiative ignores the social implication of its proposed strategies and this appears to be a serious contradiction.

The continent of Africa is manifest of internal civil strife. Conflicts contribute to poor cooperation between states and scares away investors.¹²⁹ Protracted conflicts are observed in Somalia, Sudan, DRC, Rwanda, Angola and Sierra Leon. Unstable environments are not suitable for long-term investment. Africa needs to intensify efforts to restore peace, good governance and the rule of law in those countries where conflicts, intolerance and break down in law and order, have seriously tarnished the image of the rest of Africa and made it unattractive to capital investments. NEPAD should put more efforts to that end if its programmes are intended to benefit the entire continent.

NEPAD has put up a strong case for sectoral priorities. In its document it isolates specific areas that are intended to boost an economy if more resources are allocated into them.¹³⁰ This view presumes that the public sector development require input from the civil society to grow. Governments require the cooperation of the masses in putting their countries in the path of economic revival. As Africa enters the 21st century, it will have to reinvest its social capital as the basis for accelerated rate of accumulation in human, financial, physical and natural capital.

In Africa, 340 million people or half the population live on less than US\$1 per day.¹³¹ The mortality rate of children under five years of age is 140 per 1000. Life expectancy at birth is only 54 years and only 58 percent of the population have access to safe water. The rate of literacy for people over 15 years is 41 percent. There are only 18 mainline telephones per 1000 people in Africa, compared with 146 for the

P. Okoth, & B. Ogot, Contemporary Conflict in Africa, Nairobi, J.K.F., 2002, p. 5.
Refer to Chapter 4 Section 4.3., on NEPAD Kenya: Areas of Involvement
World Bank, World Development Report, Washington, World Bank, 2004 p 89

world as a whole and 567 for high-income countries. This figure is quite low for effective communication and information dissemination in a growing economy. Africa needs to improve this sector if the economy has to make remarkable progress.

By contrasting the depressing statistics in the above passage with those estimating the extent of Africa's wealth expressed in terms of land, forests and water, Africa becomes an economic potential if the continent puts its house in order. NEPAD has identified this gap and its plans can help unlock Africa's economic strength.

The three underlying causes of pervasive poverty are the legacy of colonialism, institutional failure as a result of the destruction of African traditional institutions and structures and public policy failure due to weak institutions.¹³² The framers of NEPAD have correctly diagnosed pervasive poverty as the major problem facing Africa in the 21st century and that its eradication is one of the developmental challenges of the new millennium. They have also identified political and economic governance as necessary conditions for an enabling policy environment to reducing poverty. However NEPAD has articulated sufficient conditions for effective poverty reduction in the form of sectoral priorities. This is a major weakness of the NEPAD document and which greatly undermines the partnership as a potential African development paradigm in the 21st Century.

Improved performance of African agriculture is seen as providing sufficient conditions for poverty reduction within the overall framework of sustainable growth.

132. Stiglitz, , Globalisation and its Discontents, op cit, p 76.

With effective poverty reduction, revitalization of African traditional institutional frameworks and environmental protection could be realised

More attention should be paid to articulation of sectoral priorities, which are consistent with the main thrust of African social capital.¹³³ This would normally call for the formulation of sectoral strategies by sector specialists within the overall framework of a coherent macroeconomics framework that are centred on the enhancement of the human dignity of ordinary African peoples.

On environment, NEPAD has identified that economic growth is supposed to promote investment in a cleaner technology, induce changes in the composition of production to ward the service sector and increase people demand for a good environment. Therefore, a possible relationship between economic integration, income and environmental conditions is expected.¹³⁴ With economic growth and industrial expansion the environment is likely to suffer from strain in exploitation of raw materials and disposal of industrial waste. Even if countries specialize in the production of environmental-intensive primary products several analysts envision a win-win result, because the increasing exploitation and export of natural resources allows both the use of resources that could remain idle in the absence of trade and the establishment and enlargement of links between primary and other sectors of the economy.

Foreign direct investment is supposed to encourage both economic growth and

¹³³ Refer to Chapter 4 in the Document.

¹³⁴ Refer to Chapter 4 Section 4.3.7. on Environment Management and Sustainable Development

environmental quality improvement. Trans-national corporations may help developing countries leapfrog stages in development, enabling them to shift from an economy bent toward primary products to a service economy. This would release pressure on natural resources and improve the environmental performance of the economy. Even if foreign investments are directed to the primary sector, many analysts assume that economic performance will improve because trans-national corporations are more efficient and technologically advanced than outdated national enterprises.

Multinational firms are the single most important vehicle for the transfer of environmental information and technology to the developing world, and the initiatives they are taking in many cases exceed the requirements of the host country government. Natural resources have no value unless they are discovered, extracted, processed; transported, and distributed to customers.

Countries specializing in the production of resources may be caught in poverty and environmental degradation traps unless some policy measures are taken. The case of resource exploitation in DRC without governing policies is gradually indenting the environment drastically. The mining companies are not being subjected to responsible environment management for the future.¹³⁵ There is need to weaken the negative economic effect of primary specialization and prevent a worsening of environmental conditions in peripheral countries.

¹³⁵ The International Resource Group, Natural Resources and Social Conflicts in Africa. Nairobi, 2002. p 7

NEPAD has identified gender as basic factor in labour mobilisation for effective economic growth.¹³⁶ Gender concerns are those needs that arise because of the gender division of labour. Gender inequality is a more severe type of gender problem because the gender concern is overlaid with gender inequality typically because women have less access to facilities, opportunities and resources. Because of this inequality is defined as a gender concern, which also brings with it inequality in allocations and opportunities.

Since NEPAD is concerned with high-level prioritisation and strategic planning the primary focus should be in those critical and pervasive gender issues which are already well known on the African continent, and which are already a focus of attention for the women's movement.¹³⁷ Overall NEPAD is inadequate in both recognizing gender issues and in expressing any intention to address gender issues or promote the process of women's empowerment. However at national levels, it is the role of the government to initiate programmes that will create gender equality and equity. NEPAD Kenya Secretariat is trying to bridge the gender gap through education. There are efforts made towards this end by advocating higher number of admissions into colleges and universities.

This effort of advocating for girl-child education is not sufficient. NEPAD needs a complete revision of its approach to gender issues. If it is to recognize and address the gender issues that are intrinsic within all African development problems it must do so by revising its document and principally draw gender sensitive programmes and

¹³⁶ For more details refer to Chapter 4, Section 4.3.4. on Gender Equality and Empowerment

¹³⁷ Ibid

policies. This can be done by mainstreaming of gender issues within the sectoral priorities to recognize and address all the important gender issues that are intrinsic within the areas of endeavour currently suggested, to provide gender equality of opportunity in access to all resources and facilities.

Gender advisory committee should be formed to assist NEPAD planners in writing gender-oriented documents. This should reflect intentions on gender equality and women's empowerment with proper planning logic and coherence. Policy statements on gender should reflect international commitments. Gender orientations are particularly important in the area of NEPAD interventions concerned with improved democracy, governance and human rights. Action in this area is desperately needed to address the many grave issues of structural gender discrimination that are serious and pervasive across Africa.

Regional economic integrations are considered to be supporting blocks to NEPAD's efforts to coordinate programmes and motivate states to participate in economic revival through collaborative approaches.¹³⁸ Independent Africa came into existence during the age of regional integration. After World war II, the promotion of regional integration became a global phenomenon culminating in the establishment of European Economic community (EEC) in 1957, the Latin America Free Trade Association in 1960, the central American common market in 1961, the Association of South East African Nations (ASEAN) in 1967 and the Caribbean Free Trade Association, (CARIFTA) in 1968, ECOWAS for West Africa in 1973, EAC for East

¹³⁸ P. A. Nyong'o, Regional Integration: The Unfinished Agenda, Nairobi, Oxford University Press, 1993, p. 84

Africa in 1967, IGAD in 1993 for the Horn of Africa Region and SADC for the Southern African Region and COMESA in 1993 for Eastern and Southern Africa.

The United Nations Economic Commission (ECA) has been at the forefront of the advocacy and search for regional integration and all the above developments have strengthened its determination to pursue vigorously the policy of promoting regionalism in socio-economic development in Africa.

It is now clear that economics of regional co-operation and lack of it in Africa is principally responsible for the slow progress made during the past forty years.¹³⁹ Focusing virtually exclusively on economic co-operation and integration while making the heroic *ceteris paribus* assumption as far as political and social factors are concerned has contributed significantly to the lack of progress in the actualisation of the vision. Therefore for the future the pursuit of economic integration must be coupled with the pursuit of political stability at the national level and at least dynamic political co-operation at sub-regional and regional levels.

For NEPAD to succeed the African people must be given ownership of the initiative and to the extent that this is done successfully will real economic integration become achievable. This means that all stakeholders must be fully engaged in policy formulation, implementation and monitoring by seeking their contribution and incorporating them in decision-making.

¹³⁹ Ibid, p. 97

To give the continent a viable solution to self-motivated economic growth, it recommends vigorous social mobilisation. The stated objectives of NEPAD are to give impetus to the continent's development by bridging existing gaps between African and the developed world. This concept is at the heart of NEPAD. The question here is not to secure financing for a broad range of projects but to equip the people with the ability to produce more than they have done previously.

It is imperative to have the basic human and physical infrastructure in place to ensure that the phases of development are taking place. There is need to generate public policy that guarantees more efficiency in the provision of health, access to means of communication and information, and access to safe water and safe food.¹⁴⁰ Because absolute poverty will hinder any development programme in Africa, it is imperative that the social agenda of each country involved places poverty alleviation and eradication as overt priorities. The formulation of NEPAD will require developing workingwomen and gender partnership in rural areas, within and across countries, between governmental and non-governmental organizations across private and public sectors and with other members of the international development community. This can be achieved through government commitments and reallocation of resources to the key sectoral areas.

3.3 Conclusion

Views that have been presented in this section portray NEPAD as a viable path for Africa's socio-economic development. However several challenges are reflected at

¹⁴⁰ The Ministry of National Planning, The Millennium Development Goals, Nairobi, 2005.

the onset of each programme or strategy proposed for economic take-off. The challenges can be overcome through meaningful consensus building within Africa and the rest of the world. The African leaders need to recognise the pitfalls previously encountered in the process of forging regional integration initiatives and avoid a similar fate. There is an opportunity for the African leaders to make a difference in Africa's development through NEPAD initiative. If all African states accept the NEPAD document and follow the prescriptions it provides, Africa shall overcome some of its dragged development. However, partner states in the North must identify with Africa's economic needs for Africa to achieve desired outcome in growth and development.

NEPAD is seeking to alleviate poverty in the continent and foster economic growth. It should therefore seek to create strong coordination points to facilitate the running of its newly conceived projects.¹⁴¹ The NEPAD-Kenya secretariat is not adequate to serve the fifteen member states in the Eastern Africa sub-region. The secretariat is lean and the current staff is not adequate to foresee the implementation of NEPAD programmes throughout the region. The secretariat should be expanded to have at least one official responsible for each member country's programmes in the region.

The focus of Nairobi-NEPAD secretariat is more inward looking.¹⁴² It focuses more on Kenya's country programmes and development agenda rather than taking a regional collaborative approach. Therefore it is more prone to steer forward Kenya's agenda more articulately and not meet the other countries' requirements adequately.

¹⁴¹ For details refer to Chapter Two, Section 2.4. on Objectives of NEPAD

¹⁴² For details refer to Chapter 4 in this document on NEPAD Initiative Programmes: Case Study of Kenya

Africa's economic development will be achieved if member countries undertake simultaneous efforts in all economic sectors.

As a coordinating secretariat, the Nairobi Office is expected to ensure other countries in the region conform to the requirements of NEPAD documents when initiating national programmes. African countries will probably attain the same pace in implementing NEPAD objectives. The secretariat has managed to effectively engage stakeholders in the various programmes outlined in the NEPAD document. These include the APRM, environment, infrastructure, ICT, health, agriculture and gender equity.¹⁴³ This is however not comprehensive as envisaged in the objectives of NEPAD. Issues not yet addressed like market access, human resource development, culture, science and technology and resource mobilisation are vital for an inclusive approach to economic growth and development. Such issues can be addressed at country levels through the respective ministries of national planning and development. These should form part of the agenda for economic take-off. The initiative is slow in undertaking these responsibilities at once. The net impact of this scenario will be slow achievements of the designated goals in an endeavour to eradicate extreme poverty and make Africa part of the global economy.

Africa needs this new initiative and it is made more compelling because of underdevelopment, poverty and declining African share of world trade. A prosperous Africa free of conflicts and diseases will contribute to global prosperity. The NEPAD

¹⁴³ Further details can be referred to in Chapter 4, Section 4.0 on NEPAD Initiative Programmes.

initiative has to date spelt out how this can be achieved within African context through policy intervention and resource mobilisation.

In the final analysis, NEPAD's usefulness is that it brings together African governments to discuss development matters without the excessive bureaucracy. In addition NEPAD has come at a time when the African elite as well as the people are anxious for results rather than mere palaver if concrete change is to be realized.

CHAPTER FOUR

4.0 NEPAD INITIATIVE PROGRAMMES: CASE STUDY OF KENYA

4.1 Introduction

The foregoing chapters have outlined the origins and the foundation of NEPAD. The revelations that emerge indicate the initiative is concerned with the issue of poverty eradication and economic development in Africa. The parameters to evaluate the achievements of NEPAD can be investigated through country specific programmes and initiatives. These programmes are to be evaluated through analysis of government attention given to each sectoral programme.

The NEPAD initiative is viewed to provide for the establishment of regional secretariats to help monitor and pursue the objectives and goals of NEPAD in the regional level: Nairobi secretariat is an example of regional secretariats whose mandate spans in fifteen member states. The secretariat in Nairobi shall be used to demonstrate how NEPAD initiative programmes are operationalised on the ground. The analysis of NEPAD Kenya secretariat will reveal what progress NEPAD is making on poverty eradication and economic development. The case study shall present a model that can be extrapolated to other African states as all African countries face similar challenges in economic growth and development.

To capture NEPAD's actual operationalisation, this chapter will undertake to analyse NEPAD-Kenya its operational structure. The operational structure shall provide insight on the capacity of NEPAD to launch its programmes and engage stakeholders in carrying out its projects to achieve the outlined goals. The specific programmes that have been launched touch on information dissemination and stakeholder

engagement, agricultural development, health, gender empowerment, infrastructure, information communication technology, environment and African peer review mechanism.

The chapter shall conclude by making observations on the overall achievement of NEPAD at country specific programmes. The observations shall inform the debate that NEPAD is a new way forward for African countries to eradicate poverty and steer forward economic development.

4.2 NEPAD SECRETARIAT: THE OPERATIONAL STRUCTURE

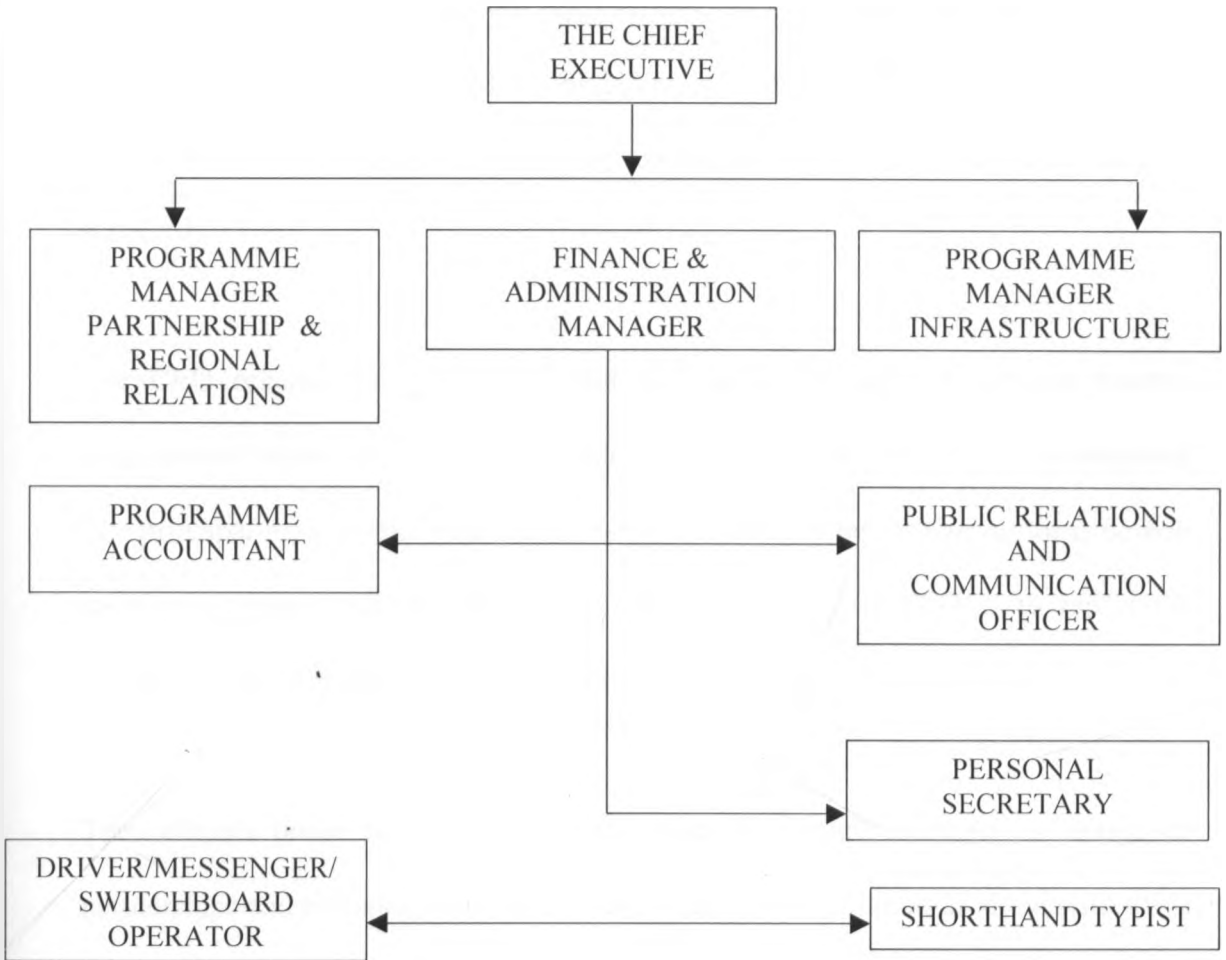
A structure in an organisation is an arrangement that illustrates the constitutive staff, their responsibilities, and the hierarchy of decision-making.¹⁴⁴ The operational structure helps one to determine the capacity of an organisation to offer specific services. The NEPAD-Kenya operational structure will be a pointer into how NEPAD has placed itself before the member states to launch programmes meant to spur economic growth. The NEPAD-Kenya structure will also illustrate the extent to which member countries are prepared to coordinate their activities to adopt a common pace in economic development.

The NEPAD-Kenya operational structure demonstrates a bureaucratic structure with a defined hierarchy where the chain of command is defined from the top.¹⁴⁵ The Chief Executive heads the secretariat with various managers deputising his responsibilities.

¹⁴⁴ M. Baker, (1993), Marketing Strategy and Management, 2nd Edition, Macmillan, London, p. 61

¹⁴⁵ Interview With Deputy Chief, Regional Integration, Ministry of Planning and Development, For Details refer to interview questions in Appendix I

The Chart below illustrates one official structure and their various responsibilities.



From the organization chart, the permanent staff at the secretariat is lean. The Chief Executive is appointed by the Government to direct its operations.¹⁴⁶ The government aims to achieve the desired goals of NEPAD by delineating the secretariat from direct ministerial directions. The Minister for Planning has the task to synchronise the MDGs in the country with NEPAD spelt out objectives.

The Secretariat under the ministry will not be at a position to engage private sector in NEPAD programmes. The Secretariat can achieve this mandate if de-linked from the

¹⁴⁶ Interview with Deputy Chief Regional Integration, Ministry of Planning and Economic Development.

Ministerial directives. The Chief Executive is directly answerable to the Minister of planning. The CEO supervises the programmes and the financial management of the secretariat. The CEO is under obligation to ascertain that NEPAD initiated programmes are running and constantly monitored to ensure effective progress is achieved.

The CEO organises for meetings with programme managers to review country programmes whose objective is to reallocate resources and encourage investments. The principal programme is that of infrastructure development. This sector is core in creating enabling environment for economic growth. The CEO is to report the progress to the Minister for Cabinet evaluation.

The officials under the CEO are three. The programme manager in charge of partnerships and regional relations is responsible for coordination of all activities that engage partners' participation.¹⁴⁷ This officer also coordinates regional relations among NEPAD member states. NEPAD member states are expected to cooperate in initiating collaborative projects to achieve quicker development. The project that have been feasible for this approach is the terrestrial marine cable that will originate in South Africa through the countries neighbouring Indian Ocean up to Egypt. This project will facilitate communication through faster movement of data using the broadband cable. This project will reduce communication costs and connect more people within Sub-Sahara Africa. The road network in East Africa will require the partner states Kenya, Uganda and Tanzania to allocate more resources into the sector

¹⁴⁷ Ibid

for quick flow of goods and services in the region. This infrastructural development will provide a leeway for increased volume of trade and economic growth will be substantially realised. Similarly member states are required to put in place structures to enable free flow of information for effective participation in the NEPAD programmes.

In the same level as the programme manager is the finance and administrative manager.¹⁴⁸ The Finance and Administrative manager is in charge of all funds and management issues within the secretariat. The manager ensures that daily budgetary requirements of the secretariat are met. The manager is also involved in the decision making process the management recruits or engages any form of personnel for NEPAD programmes.

The management issues in the Secretariat include those of finance and personnel. The financial matters affect the pace at which projects take off. The finance and administrative manager considers the project requirements and recommends to the secretariat for further action. Each project demands a certain amount of resource inputs and the manager has the responsibility to rationalise available resources to ensure balanced allocation of the same.

The management decisions are undertaken through consultative meetings between and among the managers and the CEO. The CEO passes on the decision reached to the Minister for Planning for further action. The NEPAD programmes require the

¹⁴⁸ Ibid

intervention of the government to provide the required resources for smooth running on NEPAD programmes. While the NEPAD-Kenya Secretariat can make certain decisions it will not effect any of them without government approval. This slows the pace of the Secretariat's activities.

The programme manager infrastructure is responsible for NEPAD Programmes intended to improve transport and communication network.¹⁴⁹ The manager is in charge of programmes design and engagement of stakeholders in the public and private sector to accelerate the development of priority identified areas such as agricultural sector, ICT and infrastructure. The programmes on infrastructure rely on this force for budgetary allocations and sensitisation of the public.

The above three officials are supported by a programme accountant and a public relations and communications officer.¹⁵⁰ The programme accountant vets projects and their expenditures. The public relations officer is in charge of external communication, public awareness campaigns and designs strategies for stakeholders outreach. The two officers are responsible to the finance and administrative manager.

The support staff in the secretariat of NEPAD – Kenya includes the personal secretary, shorthand typist, driver, messenger, and switchboard operator.¹⁵¹ The support staff is lean and reflects the restrictive mode of operation in the secretariat. The nature and amount of work these personnel carry out are for internal processes.

¹⁴⁹ NEPAD, NEPAD Annual Report 2002, NEPAD Secretariat, p.6

¹⁵⁰ Ibid

¹⁵¹ Ibid

The secretariat that serves as a regional office should be more outward looking and expand the number of officers serving in different portfolios.

The organisational structure has presented an inside view of NEPAD-Kenya Secretariat whose responsibility is to coordinate and foresee NEPAD initiated programmes have a smooth take-off in the Eastern Africa sub-region.¹⁵² The NEPAD-Kenya Secretariat is compressed to suit the circumstances it is operating under. Due to economic constraints in Kenya, it is prudent to rationalise the personnel and financial resources available. The government finds it cheaper to run the Secretariat as it is and it is possible to curb any inefficiency that comes up with a large Secretariat.

The NEPAD-Kenya Secretariat size is a disadvantage considering its wide mandate in the Eastern Africa Region.¹⁵³ The Secretariat is required to coordinate the numerous programmes among fifteen member countries. The few members will not be in a position to monitor the progress from Nairobi with handful members of staff. The members of staff will not be effective if they have to rotate around the fifteen capital cities and ascertain the government activities in a given financial year. The Secretariat will require one officer per a member state to effectively coordinate the programmes.

The NEPAD-Kenya Secretariat size is lean compared to the Secretariat in South Africa. However the structure remains similar especially in the level of programme

¹⁵² Ibid

¹⁵³ Interview with the Principal Economist, NEPAD Nairobi Secretariat. For details refer to Appendix I

management. The programme on partnership and regional relations aims to bind governments into taking common approaches in initiating economic programmes. These programmes will entail reallocating resources to priority sectors. These sectors are deemed to help jump-start the economy.

The programme on infrastructure aims to develop and network the infrastructure among member countries for the purpose of creating an enabling environment for economic investment.¹⁵⁴ The sector has been identified in the continent as a hindrance to economic activities. The sector if developed there will be increased trade and communication across the continent.

The financial and administration management is a vital aspect in determining the quality and quantity of resources required for different sectors if sustainable economic growth is to be achieved. These functions will identify the type of personnel to be included in a given programme and the appropriate figure. Similarly it will determine the amount of funds projected to accomplish a given project. These are the core functions that inspire the presence of this department in the Secretariat.

The NEPAD-Kenya secretariat is small in comparison with the obligations conferred upon it. The staff's mandate especially at management level requires deputizing officers to effectively coordinate the programmes within the region. The countries that are served by the Nairobi NEPAD – secretariat are fourteen in number. The small staff is expected to reach out all the other regional country offices but it is a challenge.

¹⁵⁴ Ibid

The outreach task is likely to be slowed down or poorly accompanied. The Nairobi NEPAD – Secretariat should therefore endeavour to expand its staff to accommodate its regional obligations more effectively.

NEPAD – Kenya is constituted within the Ministry of planning. It operates as the regional coordination office for East Africa. It also hosts the implementation committee for the Eastern Africa sub-region.¹⁵⁵ The Eastern Sub-region includes the countries of Tanzania, Uganda, Rwanda, Burundi and Ethiopia and Sudan. The coordinating activities entail governmental participation in the NEPAD initiated programmes like APRM. It also engages the private sector in the participation of infrastructure development and financial mobilisation to help propel NEPAD programmes further ahead.

The Kenya government has established structures to enable NEPAD operate to achieve the objectives set up. Through a cabinet approval the NEPAD Secretariat was established in 2002.¹⁵⁶ The establishment of the Secretariat has not yet operated efficiently due to lack of specific official organizational structure. The structure is fluid as some officials at the Secretariat are drawn from the private sectors and the UNDP while others are government officials.¹⁵⁷

The structure of the secretariat is two-tier.¹⁵⁸ First it has a Board of Trustees reporting to the Head of State through the Head of Public Service and Secretary to the Cabinet. Secondly under the direction of the Board are technical officers, who handle the

¹⁵⁵ Executive Brief on NEPAD, Ministry of Foreign Affairs, Nairobi November 2002

¹⁵⁶ Ibid

¹⁵⁷ Interview with the Principal Economist, NEPAD Secretariat, op cit, Nairobi 21st April 2005

operations of the secretariat. The technical officers are headed by a Chief Executive Officer. The chief Executive officer supervises managers who run the various NEPAD programmes. The two-tier structure is essential to allow for both political and professional participation in NEPAD programme strategy. Economies will not grow without the political will of a country. The political representation in the Board of Trustees caters for country interests and the professional pool helps the politicians to design policies that ascribe to NEPAD objectives.

4.3 NEPAD – Kenya: Areas of Involvement

The NEPAD secretariat is tasked with the role of intensifying Kenya's participation in NEPAD activities at all appropriate levels. It also seeks to oversee the implementation of national development goals in relation to NEPAD activities. In this perspective the secretariat provides a better coordination of the activities of NEPAD in Kenya and enhances participatory capacity at national, regional and international levels.¹⁵⁹ Among the issues Kenya is participating in include overseeing regional projects identified in the poverty reduction strategy paper and NEPAD. The poverty reduction programmes spell out the reduction of child mortality rates, improving maternal health care, gender equality, universal primary education, ICT and food security. Kenya has also taken a step to market NEPAD initiative among the business community in Kenya. The community is being given priority to spell out the way it will like the business environment improved. Their recommendations are being adopted as policy guidelines for the government.

¹⁵⁸ Ibid
¹⁵⁹ Ibid

The following sections have been identified as the areas of participation NEPAD-Kenya Secretariat has exerted influence to raise the performance of Kenya's economy.

4.3.1 Information Dissemination and Stakeholders Engagement

Information dissemination and stakeholders' engagement are basic for NEPAD-Kenya secretariat to run and achieve its goals. Information dissemination is the process through which NEPAD-Kenya secretariat endeavours to make the public aware of its existence, its purpose and its ultimate objectives. The secretariat disseminates this information through media, workshops and campaigns.¹⁶⁰ The current endeavours are focused on creating awareness at provincial and district levels. NEPAD –Kenya secretariat has designed schedules that will lead to various meetings in form of seminars and workshops at provincial levels. The seminars will strategize on how to reach district levels and sensitise the communities on their role in realizing the MDGs. The participation of the locals in these programmes will endear the NEPAD programmes to the people and the pace of economic growth will be more enhanced. The poverty eradication programmes also target this population who should understand their position and role in accomplishing this objective.

Stakeholders' engagement focuses mainly on civil society and private sector. The civil society is involved due to its nature of being voluntary, self-supporting and autonomous from the state.¹⁶¹ It therefore engages citizens acting collectively in a

¹⁶⁰ Interview with Principal Economist NEPAD – Kenya Secretariat, See Interview Questions, Appendix I
¹⁶¹ L. Diamond, "Rethinking Civil Society" in *Crossroads*, *USIS Newsletter*, Lagos, February 1995, p. 9

public sphere to express their interests, passions and ideas, exchange ideas, exchange information, achieve mutual goals, make demands on the state and hold state officials accountable. In Kenya the role of civil society in public issues has strengthened over time and currently it is an important vehicle in community development. Before the onset of multiparty, civil society was muzzled by the KANU regime. But the situation has changed since 1992. The number of registered NGOs has increased and their participation in public is more tolerated especially after the 2002 general elections when Kenya witnessed a transition on the presidency. For example it directly mobilizes people around the on-going constitutional review process through the Ufungamano initiative and other lobby groups.¹⁶² This engagement demonstrates the level of influence civil society can exert on the people. NEPAD –Kenya stands a chance to succeed in its programmes through civil society participation.

Civil society organisations in Kenya proliferated during the Moi regime. These are notably dominated by non-governmental organisations whose number has grown from 125 in 1974 to 400 in 1986, with the figure presently standing at 2,257 and many more thought to be operating illegally. It is also suspected that about 60 per cent of those registered are not active. The number of voluntary non-profit organisations in Kenya is however estimated to be over 150,000.¹⁶³ Today, NGOs have become such common features in the Kenyan socio-economic and political life that it is not possible to exclude them from social and public policy discourse.¹⁶⁴

¹⁶² F. M'boge, & S. Gbaydee Doe, African Commitments to Civil Society Engagement: A review of eight NEPAD Countries, Pretoria, Africa Human Security Initiative, 2005 p. 33

¹⁶³ The Institute of Development Studies, Kenya Development Report, Nairobi, 2002. p 8

¹⁶⁴ Civil Societies in the South, www.valt.helsinki.fi (accessed 28th July 2005).

The NEPAD secretariat has put up programmes through media houses and campaigns to create public awareness.¹⁶⁵ The secretariat aims to capture a wide range of participants in its programmes especially from the private sector. The purpose of the exercise is to pool resources to improve the infrastructure, which may contribute to increased investment and job-creation to reduce poverty in the country.

NEPAD – Kenya secretariat has also sought to spearhead Kenya’s participation in the African Peer Review Mechanism.¹⁶⁶ APRM is a programme that has been designed to enable African leaders pressurise one another to adopt democracy and economic governance in their countries. Since July 2003, the APRM has engaged leaders from Ghana, Rwanda, Kenya and Mauritius in steering forward the adoption of NEPAD sectoral programmes as frameworks for National Development plans. The priority areas have been education health, agriculture, rural development, energy, water and sanitation, and ICT.

The engagement of private sector in NEPAD-Kenya programmes focuses on the major areas identified as priority for the development of the country.¹⁶⁷ The private sector is assumed here to be efficient and effective in resource allocation. The government’s MDGs are about resource re-allocation to improve human conditions. The re-allocation of resources in the public sector should be in conformity to private sector reforms. The private sector forms the alternative source of employment, investment and community development. The NEPAD-Kenya secretariat finds the

¹⁶⁵ Ibid

¹⁶⁶ NEPAD Annual Report, 2003/2004, NEPAD Secretariat, S.A. p 14

¹⁶⁷ Interview with the Principal Economist, NEPAD-Kenya Secretariat, op cit

private sector a forum for initiating the main programmes like infrastructure, health, information communication technology and agriculture more efficiently.

4.3.2 Agricultural Sector Development

Agriculture is the basic drive of most African economies. As illustrated in Table 3.1, the contribution of agriculture to Kenya's economy is enormous. The sector shows it can be used to improve an economy if it is properly attended to at policy level. The statistics in Table 3.1 suggest further a need to reallocate resources into the sector for sustainable growth.

Table 4.1: Agricultural GDP and share in total GDP 1990-2000

Year	Agricultures Share in GDP (%)
1990	28.2
1991	27.3
1992	26.2
1993	25.1
1994	25.0
1995	25.0
1996	25.0
1997	24.7
1998	24.6
1999	24.5
2000	24.0

Source: Statistical Abstract 2001

The total share of Agricultural GDP between 1990-2000 indicates that it contributes about a quarter of Kenya's GDP. However the trend shows a gradual decline in the sector. This can be attributed to two factors. One is the decline in world prices of major crops like tea and coffee. Secondly there has been neglect in the sector due low allocation of government expenditures to extension services and training of specialised personnel.¹⁶⁸ In Kenya the sector has been neglected over time and the

¹⁶⁸ Sessional Paper No. 2, 1999, The Liberalization and Restructuring of the Tea Industry. Nairobi, Ministry of Agriculture, p 57

levels of production have gone down. The impact has been reflected in food shortages in most areas. Kenya has been relying on relief food to nourish part of its population. Massive imports of grain foods have stepped down the balance of trade. The sector needs a revamp to guarantee food security and protect the country from excessive NEPAD-Kenya has made it a priority to mobilize national budgetary allocation for agricultural development.¹⁶⁹ The allocation of resources in this sector is vital for the elimination of extreme poverty and hunger. The vision of NEPAD to improve Africa's social and economic welfare begins at the base of majority people. The focus on agricultural sector will overcome the first barrier to development, extreme poverty and hunger. Increased food supply is the only guarantee to this objective.

In Agriculture sector, NEPAD Agricultural programme Action Plan 2003-2015 has been adopted by the Regional Economic communities.¹⁷⁰ The comprehensive Agriculture Development programme in Eastern African has focused on land and water management, infrastructure and market access, increasing food supply, agriculture research and technology dissemination and adoption. African ministers of Agriculture after holding the 23rd Regional conference in March 2004 in South Africa, agreed to continue reviewing and tracking the implementation of the agricultural food policies to prevent shortages. The ministers were also challenged to mobilize national budgetary allocations for agricultural development in line with APRM for the sector and create more employment opportunities for the continent. Table 3.2. shows statistics on how many job opportunities Kenya has been able to create in a ten-year span 1990-2000.

¹⁶⁹ Ministry of Planning and National Development, The Planning Bulletin. Vol 2. 1 Jan 2005, p. 68

¹⁷⁰ Ministry of Health, The Ministry of Health Report 2003 – 2004. Ministry of Health, Nairobi 2004, p. 88

Table 4.2: Wage Employment in Agriculture by Sex, 1990 –2000 (000s)

YEAR	MALE	FEMALE	TOTAL
1990	205.3	64.4	269.7
1991	207	65	272
1992	208	64.4	272.4
1993	209.7	64.6	274.3
1994	215.4	65.3	280.7
1995	222.8	71.2	294
1996	226.4	76.6	303
1997	230	75.6	305.6
1998	232.3	76.5	308.8
1999	234	77.3	311.3
2000	234	77.5	311.5

Source: Statistical Abstract 2001

The Table 3.2 above shows that agriculture increasingly absorbs more and more people into employment as a result of its informal nature. There are more people getting into the sector expecting to be well catered for in remuneration. Due to its diversity, the sector will continue to involve more people in wage employment. This requires the government to allocate more resources in the sector since it contributes a major role in the country's economy.

The Kenya government has resolved to mobilize resources to support agriculture and rural development to resolve food insecurity and unemployment.¹⁷¹ The government has engaged the UNDP, ICRAF and the Global Hunger Task Force in research and funding for projects in the rural areas. The research is focused on identifying agricultural crops tenable in different areas for high yield production. Funding on research is paramount from partners to realize this goal. The areas to benefit from these programmes require sensitisation exercises before actual launching. The Government has taken steps to run sensitisation exercises through workshops, training

¹⁷¹ Ibid

of trainers and public gatherings. This approach fits in NEPAD initiative as it emphasises on partnership in appraising agricultural production. The masses are also involved since they will own the programme once they are well sensitised.

The initiative to improve agricultural production is a solution that will be sustainable in eradicating food insecurity. Hunger is a specific point of departure for eradicating extreme poverty not only in Kenya but also in the entire continent. In Kenya the initiative is poised to succeed if the government acknowledges the importance of the sector and reinstates government funded extension programmes. Research should continue playing a central role in improving agriculture production. Identifying partners to work with in research should continue to be Kenya's continuous exercise. Funding and research expertise is resourceful from partners. Kenya does not have adequate researchers and funds to launch long-term programmes aimed at increasing agriculture productivity.

4.3.3 Health Sector

Health services are scarce for majority of the people in Africa. The infrastructure, personnel and drugs are inadequate for the provision of public health services. The African continent is faced with numerous health threats. They range from child mortality, maternal deaths, HIV/AIDS, Malaria and other diseases. The development of a country will mainly depend on the health status of its people. A sickly country or a country with majority of its people ailing will exhaust its budgetary allocations on health and require more from exchequer to address disease outbreaks. This scenario will cut down resources for development and people will have less or no saving to

invest. The economic growth envisaged will not be achieved soon if these factors persist.

The MDGs in Kenya have designed programmes to fight major killer diseases - malaria and HIV/AIDS.¹⁷² Table 3.3. shows the prevalence rates of HIV/AIDS in Kenya. These figures are huge and threaten the manpower in a developing economy. The medical requirements are an emphasis in the MDGs to attend to the needy cases.

Table 4.3: Estimated HIV infection in adults by province.

Province	Number HIV+	Prevalence %
Nairobi	175 000	16
Central	240 000	13
Coast	135000	10
Eastern	380 000	16
North eastern	15 000	3
Nyanza	480 000	22
Rift valley	390 000	11
Western	210 000	12
Total	2,025 000	13.5

Source: Ministry of Health, June 2000

The statistics in the table indicate that health will continue to be a focus of high expenditures among the people in Kenya. The prevalence rates for HIV infections are worrying almost most provinces exhibit a rate of above 10% except North Eastern whose population is scarcely distributed. The prevalence in provinces therefore point

¹⁷² Ibid

out that health services should be provided by the government in order to curb the rising trend of HIV infections and curb both maternal and infant mortality rate.

The MDGs mirror some of NEPAD's objectives in the health sector. NEPAD emphasises that child mortality and improved maternal health are paramount for a country's sustained growth. The NEPAD initiative provides that governments should expand the health facilities into the rural areas where majority of the population reside. The Ministry of Health in partnership with UNDP and the WHO has launched programmes to fight malaria in rural Kenya. The programmes envisage providing mosquito nets to prevent Malaria infection especially among the children and mothers. The programmes will further sensitise the people on their vulnerability to dangerous diseases.

In the health sector, the NEPAD healthy strategy has prompted Kenya to increase its budgetary allocation to health.¹⁷³ The NEPAD health strategy stipulates that governments should allocate more resources to build more health facilities and ensure the poor access health services cheaply. The object is to reduce infant mortality, improve maternal health care, prevent malaria infections and reduce HIV/AIDS prevalence. The NEPAD secretariat has also engaged the government for greater mobilization of resources for health. The support granted by UN agencies has made a greater contribution and forged close relationships with African countries to promote the WHO goals. The Kenya secretariat is engaging other civil society organizations and health institutions to take the health strategy forward.¹⁷⁴

¹⁷³ Interview with Deputy Chief Economist Regional Integration. op cit

¹⁷⁴ Interview with Principal Economist, NEPAD Secretariat, op cit

The programmes on health sector development are not comprehensive. The programmes on health focus on infant mortality and maternal health programmes of epidemics and HIV pandemic are not highlighted. They seem to be focused on sectoral health management. The sectors to be addressed first might leave other emerging problems. The approach should encompass all regions at the same time. The NEPAD-Kenya secretariat should be more determined to engage other stakeholder in the promotion of cheap health services to the majority Kenyans.

4.3.4 Gender Equality and Empowerment

Gender empowerment is taking a centre stage in public policies. Gender is the attribute of one being male or female. The traditional approach to handling gender issues has rested on men who happen to make decisions at domestic and public level. This phenomenon segregated women from rising to their full potential in most public sectors. The anomaly requires concerted efforts by the Governments to empower women. This can be achieved by enlightening and sensitising women on their capabilities in social and economic framework. The exercise can have full meaning through education.

Education sector has been given priority areas by NEPAD. The secretariat in Kenya has approved the basic education systems. In focus the secretariat has endeavoured to promote gender equality in primary and secondary schools.¹⁷⁵ The NEPAD initiative has taken consideration that the education system is gender imbalanced. The gender desk at the secretariat has designed programmes in collaboration with the civil society

¹⁷⁵ Interview with Principal Economist, NEPAD Secretariat, op cit

that will enable girl-child to attain higher education. Once the gender parity is attained at higher institutions the initiative will be at a position to entrench its influence in gender sensitive programmes in education institutions.

4.3.5 Infrastructure Development

Infrastructure enables an economy to be sustainable if it is smooth and reliable. Infrastructure includes transport and communication means, banking and insurance services, electricity and water supplies. Infrastructure is one of the vital areas for economic growth and development. Africa experiences one of the poorest infrastructures in the world. To resuscitate any economy emphasis must be drawn into this sector. In economic perspectives the level of infrastructure development determines how goods and services are distributed to the consumers. Consumers can be able to buy what they desire if it can be delivered to them. With poor infrastructure it becomes expensive for consumers to access goods in the market. Thus the demand of any product is reduced if the infrastructure is poor in a given region.

NEPAD secretariat has been consulting with cooperating partners and development finance, institutions such as the ADB, WB, EU commission and the development bank of Southern Africa on a number of infrastructure projects to be commissioned in 2004/2005 period.¹⁷⁶ In Kenya the improvement of major roads has been spearheaded by EU under the programme of NEPAD. The Secretariat is affirmative that the

¹⁷⁶ NEPAD, Annual Report 2002. op cit, p 32

continued negotiations with G8 will grant Kenya more aid to improve its road network.¹⁷⁷

4.3.6 Information Communication Technology Initiative (ICT)

Information communication technology is a recent phenomenon in Africa. It entails use of modern electronic and satellite technology to transfer information efficiently in a shorter time interval. The third world has lagged behind in this development and continues to rely on the developed world to access these services at a higher price. NEPAD initiative seeks to make ICT cheaper and affordable to enhance information dissemination in Africa. The rationale for this approach is derived from the view that any growing economy, information should be available for both sellers and buyers.¹⁷⁸ Imperfection in information will lead to exploitation of the buyers or producers. Africa needs incursion from the market anomalies through efficient communication systems.

Africa lags behind in information and communications technology (ICT). NEPAD recognizes the central role of ICT in accelerating economic growth and development. It is particularly important in the context of achieving common market and continental integration.¹⁷⁹ The NEPAD secretariat in Kenya has started to implement the e-school initiative in some schools. The aim is to equip primary and secondary schools with ICT apparatus such as computers, phones and fax machines, scanners digital cameras and to connect them with Internet. In Kenya six secondary schools will be

¹⁷⁷ Interview with Principal Economist NEPAD, op cit

¹⁷⁸ S. Jacobson, & T. Sigardson (Eds), Technological Trends and Challenges in Electronics: Dominance of Industrialised world and responses in the Third World, University of Lund, Lund, 1983 pp. 88

¹⁷⁹ Ibid

linked to 16 others in Africa via satellite under the Sh.40 million programme. The implementation of this programme from September 2005 will benefit Isiolo Girls (Isiolo), Mumbi Girls (Muranga), Menengai High School (Nakuru), Chavakali Boys (Vihiga), Wajir Girls (Wajir) and Maranda Secondary (Bondo). The programme will train and monitor the school and community officials through a South African consortium company.¹⁸⁰

The NEPAD ICT infrastructure programme aims to connect all African countries to a broadband terrestrial fibre-optic network. This network will in the long-run be connected to the rest of the world. The e-Africa commission has also established a submarine-optical fibre system along the East coast of Africa. These features will provide easier connectivity and reduced communication costs. By December 2003, 11 telecommunication network operators and services from East and Southern African countries agreed to participate in the development and implementation of the ICT project in collaboration with NEPAD and the e-Africa commission. From this participation Kenya is party to the program and will be a beneficiary in terms of trade, social and cultural development.¹⁸¹

To ensure ICT is understood and embraced NEPAD-Kenya secretariat has engaged the ministry of Education in launching pilot project for e-schools.¹⁸² The Ministry has identified the location of five centres in the country to begin the programme. If the programme provides desirable results, they will be taken as models for other schools

¹⁸⁰ Six Schools to benefit from Sh.40m Nepad ICT Project. The Standard, July 28,2005

¹⁸¹ Ibid

¹⁸² Interview with Deputy Chief Economist, Regional Integration, op cit.

to participate in future. The schools are the foundation of communities, information dissemination, training and transformation. The project will take the country strides ahead if ICT training will begin at primary school level. The NEPAD initiative will assist schools establish the curriculum for ICT and provide computers and accessories to facilitate the project take-off.

NEPAD has also recognized the role of science and technology for sustainable development.¹⁸³ The secretariat took an initiative in November 2003 and congregated Ministers to design flagship programmes to address science and technology issues. The initiative decided to launch similar programmes in the region for effective communication networking and policy formulation as they strategise for regional integration.

The secretariat has established centres of excellence to spearhead bioscience research to improve agricultural productivity. The centres will also be used to attract African scientists based in Europe and the US to return and conduct research in these centres. The centres in South Africa, Senegal, Ghana, Egypt and Tunisia may help reverse brain drain that has been witnessed heavily in Kenya and other African countries. The majority-qualified personnel can be offered jobs at competitive rates to retain them in Africa for their expertise. The centres will also come up with topical science policy issues such as intellectual property protection and technology development, trends in bio-diversity science, trends in water sciences and technologies, funding of research and development,

¹⁸³ Ibid

The NEPAD-Kenya secretariat will posit some progress in initiating ICT programmes both for public and private sectors. The initiative however lacks the capacity both in financial and human resources to spearhead the programmes at a faster rate. The projects can be implemented subject to the efficient allocation of resources and skilled manpower to manage those sectors. There is a possibility to see progress in ICT and Africa's development albeit slow and desired results will be in the far future.

4.3.7 Environmental Management & Sustainable Development

Environment refers to the milieu where human beings stay and carry out activities for economic or social welfare. Environment can be described as the space on the earth's surface the subterranean, the waters and the atmosphere.¹⁸⁴ If these aspects of the environment are not well managed, conflict arises and economic development is stunted. Some of the conflicts witnessed include that of constructing hydroelectric power stations without considering their impact on upstream inhabitants. The conflicts that arise between the locals and the government arise from inappropriate compensation for displacement and loss of economic benefits of the land. The cases of Tana River and Sondu Miriu are the recent examples in Kenya.¹⁸⁵ The NEPAD initiative sees a fundamental guarantee in economic growth and development through proper environmental management

The overall objective of environment management and sustainable development in Kenya is articulated by National Environment Management Authority (NEMA).¹⁸⁶ NEMA is charged with the responsibility of policy formulation and enforcement in all

¹⁸⁴ J. Lind & K. Sturman (Eds), *Scarcity and Surfeit: The Ecology of Africa's Conflicts*. Pretoria Institute of Security Studies, 2002, p. 24

¹⁸⁵ *The East African*. July 5-11, Nairobi, 2003.

matters appertaining to environment. The body to date liases with NEPAD-Kenya secretariat to harmonize government objectives and those spelt out by NEPAD. NEMA is progressive in the implementation of its programmes. It has adequate staff and resources to inspect, sanction or recommend any industrial, construction or mining project subject to how each project may be a threat to the environment or will be sustainable in the long run.

Environment has been assigned an action plan by NEPAD. Environment initiative seeks to improve the environmental conditions in Africa in order to contribute to economic growth and poverty eradication.¹⁸⁷ The areas of focus that are included in the environmental Action Plan are: combating land degradation, conserving Africa's wet lands; preventing, controlling and managing invasive alien species; conserving and sustainably using marine and fresh water resources, combating climate change; management of cross-border natural resources and incorporating environment issues in health, poverty, technology transfer and disaster management.¹⁸⁸

NEPAD Secretariat in Nairobi is in the forefront to ensure adequate participation by stakeholders and the government in forums deliberating issues aforementioned. The participation in the first NEPAD cities consultative forum in May 2004, Nairobi participated alongside the seven NEPAD cities namely: Bamako, Douala, Durran, Lagos, Lusaka and Rabat. The forum drew the G-8 members into participation to discuss and review NEPAD goals. At top of the agenda was on sustainable cities. The sustainable cities would be achieved through good governance, sustainable

¹⁸⁶ Interview with Deputy Chief Economist, Regional Integration op cit.

¹⁸⁷ Ibid

¹⁸⁸ Ibid

economic development and the restoration of peace and security.¹⁸⁹ The rationale for calling on sustainable cities is to attract investors into towns that are secure and their investments can provide adequate returns. The G8 members attribute poor DFI into Africa as a result of uncertainty on stability of African cities.

Kenya is making strides to achieve sustenance in its cities through various sectoral programmes. There is an agenda to fight crime through community policing.¹⁹⁰ The government is also engaged in a programme with UN-habitat and donors to upgrade slum areas. The government further is in partnership with the UNEP to clean up the polluted water bodies in the Nairobi City. All these are aimed to make Nairobi city a sustainable environment for habitation and economic investment.

4.3.8 African Peer Review Mechanism

African Peer Review mechanism was established by NEPAD to engage individual countries' leadership in spearheading review of policies in the member countries to establish the best practices and comply with established standards, principles, codes and other agreed commitments.¹⁹¹ Leaders in Africa should improve governance to create the conditions for growth and development through the continent's own efforts and by attracting investments and development assistance from international partners.

¹⁸⁹ Interview with Principal Economist, NEPAD – Kenya Secretariat, op cit

¹⁹⁰ The Government Launches Community Policing, Article in the Daily Nation, 12th March 2005

¹⁹¹ J. Cillier, Human Security in Africa: A Conceptual Framework for Review, Pretoria, The African Human Security Initiative, 2004 p. 2

There are only eight countries under APRM out of the nineteen that have acceded to it. Kenya is among these nine countries, which include: Ghana, Nigeria, Senegal, Algeria, Ethiopia, Uganda and South Africa.

Kenya falls in the eight countries owing to its institutional and political stability. The NEPAD-Kenya secretariat was located in Nairobi due to this consideration. Kenya therefore enjoys a regional representation image where data required for effective APRM is available.¹⁹² NEPAD-Kenya secretariat has facilitated the exercise by advocating for government accountability in all sectors by presenting reports through ministers and the office of the president. The government is currently subject to civil society engagement in setting agendas for the country.¹⁹³ The process would make Kenya a strong democracy with favourable environment for long-term investment. Currently the country is in the footpath to achieve high political scores but hindrances continue pitching the government especially with its failure to enact a new constitution after promising to do so three years ago. Investors will feel confident to invest in a stable political environment because they can predict the trend of macro and micro policies over a long duration. This will determine the turnover of investors into the country and will accelerate economic growth.

The most pronounced programme in the NEPAD initiatives is the APRM. In the Nairobi secretariat, the programme is managed by a technical team and volunteers from UNDP, in collaboration with the Civil Society. The technical team and the volunteers take charge in operations for review as described by the APRM core

¹⁹² Ibid

¹⁹³ F. M'boge & S.G. Doe, African Commitments to Civil Society Engagement: A Review of Eight NEPAD Countries. Pretoria, African Human Security Initiative, 2004 p. 33

documents.¹⁹⁴ The core document ascribes to democracy, political, economic and corporate governance. These are the definitions variables that set standards and agreed codes on evaluation exercise. The Nairobi NEPAD secretariat facilitates the participation of Kenya in the APRM programme.¹⁹⁵ It provides a consultative forum for the executive on how to prepare for and participate in APRM. It also specifies particular roles and responsibilities of the various stakeholders in APRM programme. The APRM programme is vital in Kenya because of the planned action to improve on governance, economic management and corporate governance. APRM countries with high rating will also attract investors because of the perceived improved governance.¹⁹⁶ This will create more jobs and improve household incomes in the country.

NEPAD-Kenya secretariat recognises the central role of civil society and the private sector in articulating some of its programmes.¹⁹⁷ NEPAD-Kenya secretariat seeks to include rural populations, religious groups, trade unions, the media, women and youth in spearheading APRM. The programmes are on course and are expected to achieve effect in terms of democratisation and governance in the country. The rating of Kenya from this end will be higher than the majority of African countries.

The APRM is more concrete and innovative in strengthening democracy and political governance, economic governance and management, corporate governance and socio-economic development.¹⁹⁸ The NEPAD-Kenya secretariat has made initiatives to

¹⁹⁴ NEPAD, *Annual Report 2003/2004*, op, cit p. 38

¹⁹⁵ Interview with the Principal Economist, NEPAD Secretariat op cit.

¹⁹⁶ Ibid

¹⁹⁷ Ibid

¹⁹⁸ Ibid p. 6.

address intra-and inter-state conflicts through regional institutions and civic bodies.¹⁹⁹ The support of regional bodies like IGAD in the mediation of the Somali and Sudan conflicts is floated in NEPAD. This will enable countries to have peace and entrench constitutional democracy, protect social, economic, cultural and civil rights. The protection of these fundamental rights will in turn create a system of transparency basic in economic investment. APRM will inspire countries to adopt an appropriate approach for public sector management. In Kenya public scrutiny on the government actions is yielding positive outcome to government initiative to curb corruption. The government through Kenya Anti-Corruption Commission is prosecuting the public civil servants who engage in corrupt actions.

4.12 Conclusion

NEPAD-Kenya has endeavoured to champion the core goals and objectives of NEPAD-Africa. Its proximity to the Ministry of Planning and Economic Development ensures that adequate government involvement is driven to every programme NEPAD initiates.

The Kenya economy is likely to benefit if the programmes envisioned are implemented according to objectives of NEPAD secretariat that are broad and geared towards globalising the African economy.²⁰⁰ For the purposes of resuscitating the economy, APRM should be urgently embraced and entrenched both in the public and private sector. The political will is vital at all level. African countries rating on

¹⁹⁹ Kairo Nancy, "The Spirit of NEPAD" Paper presented to the 5th Resource based conference, November 26th 2004, New Site, South Sudan.

²⁰⁰ J. Stiglitz, Globalisation and its Discontents, op cit p 126.

APRM will open or close opportunities for investors. Countries under the APRM must set pace for others to follow. Kenya being among the pioneer countries in APRM stands the best chance to benefit it if realizes the potential APRM rating has in its economy.

Despite the focus of NEPAD-Kenya, its lack of permanent and operational structure is a challenge.²⁰¹ Without proper official delineation of position and responsibilities the secretariat will take a slow pace in implementing its objectives. The nature of its fluid staff, the competence to tactfully engage stakeholders in diverse programmes is lost. The government should second full time members of staff who can adequately handle the amount of work at the disposal of the secretariat in good time.

The NEPAD-Kenya can be summarized as a critical component for accelerating economic growth in the country. The regional economic blocs can be used as the focal points for ascertaining that the member states are implementing the NEPAD objectives. This can be done through harmonising the regional economic programmes with those of NEPAD. Similarly NEPAD should be given necessary support from the government and stakeholders to quickly revolutionarise the country economies. The people in Kenya should change their attitudes about democracy and governance and embrace new ideas that will change the perceived corruption and bad governance in Africa and attract investments.

²⁰¹ Interview with the Principal Economist, Nairobi NEPAD Secretariat, op cit

CHAPTER 5

5.0. CONCLUSIONS AND RECOMMENDATIONS

This section of the research shall make concluding remarks about the study on NEPAD. It shall draw some recommendations that will make a way forward for the NEPAD initiative. The conclusions and recommendations shall be a basis for policy makers to re-engineer NEPAD programmes in their respective countries and target the achievement of the NEPAD objectives.

The NEPAD objectives are founded on the premise that Africa's poverty is engendered by the unfair position it occupies in the world's trade and market access. In addition there are internal issues like governance that require streamlining before certain goals and objectives of NEPAD are realised. The African leaders have identified this gap and it is upon the change of this *status quo* that Africa will benefit from its own economic potential. To enable Africa benefit from its natural resources, the manpower and its vast market, the trend of trade that favours the northern market should be reversed. The northern market traditionally has presupposed Africa to produce primary goods for their industries whose value is low compared to their manufactured products. The trend has seen these developed countries import primary goods from Africa, use their technology to add value to these products and re-export them to Africa at exorbitant prices. The issue of technology has placed Africa at the receiving end in the global economy.²⁰²

²⁰² H. W. Singer, The Strategy of International Development, Macmillan Prem Ltd., London, 1975, p 67.

The low trade figures reflected in trade between Africa and the developed countries arise from primordial nature of Africa's technology in production.

Technological transfer is thorny among developed countries. The debate on how much technology Africa should access from developed countries is enshrined and determined by the MNCs²⁰³. The MNCs have helped develop their home countries and exploit the developing countries by restricting their technology in their industries. Globalisation has put into question the rationale of leaving Africa out of the developed countries' agenda in socio-economic development. Africa's poor position in the global economy had led to social and economic insecurity in the developed countries.²⁰⁴ The major concern for donor countries to resolve the economic stagnation stems from the fear that continued stagnation of Africa will lead to lopsided development. Lopsided development has led to escalated insecurity as a result of terrorists, internal conflicts and environmental degradation.

The NEPAD initiative hence has set the agenda for African leaders and development partners to begin resolving Africa's underdevelopment. To achieve the desired results there should be a consensus among Africa governments to create an enabling environment for economic take off. The creation of such an environment will require certain changes in political and economic practices. The political practice in Africa presents an issue of concern when dealing with government bureaucracy to establish business. The investors find Africa too unreliable for long-term investment. This phenomenon discourages many in giving it a priority. Investment should be long-term

²⁰³ R. Gilpin, The Political Economy of International Relations. New Jersey, Princeton University Press, 1987, p.84

²⁰⁴ J. Stiglitz, Globalisation and Its Discontents, op cit. pp 112-114

to attract investors to move their capital into a location. The African continent does not reassure security for long-term investment. There is uncertainty in political front as a result of internal conflicts that arise due to bad governance.²⁰⁵ Realising this gap, African leaders should embrace democratic values and liberal practices to attract foreign investment. The FDIs are identified in facilitating capital investment and technology transfer into Africa. With accelerated inflow of FDIs Africa will generate a faster pace in economic development.

NEPAD on the other hand is complementing the efforts of regional economic blocs in reaching out the international community for support in trade negotiations. Africa has been carrying out the agenda of trade negotiations and search for international market at individual basis.²⁰⁶ There is now an opportunity for regional organisations such as ECOWAS, COMESA, EAC and SADC to champion the cause of the African continent through harmonising their trade and economic objectives under the umbrella of NEPAD

NEPAD initiative should also reinforce other African regional initiatives to quicken the pace of implementing its programmes. Hence African leaders should be led into identifying the necessity of integrating regionally for the purpose of harmonising economic practices that will benefit the continent. Individual countries cannot achieve certain economic feat to spur economic growth across the continent. The African countries can only achieve reasonable and purposeful regional economic integration only if political will is present. Political will entails government actual

ekenkamp, P. V. Tongeren and H. V. de Veen (eds), Searching for Peace in Africa, Utrecht, European for Conflict Prevention & Transformation, 1999, p.28
cretary General COMESA, Remarks Made in a TV Interview, KTN, 25th Aug. 2005.

commitment to spend resources in implementing policies agreed and specified in trade and economic protocols. This extends further into governments extending cooperation among them and holding consultations on how to reach common goals. It will again seek to entrench good governance and rid the continent of violent conflicts.²⁰⁷ Before recommending programmes for the continent, NEPAD should ascertain that the heads of state and government have acceded to NEPAD ideals. There will be no success for the continent if some leaders are divided. If that remains the situation then the pace of Africa's progress in the economic front will be slow.

The issue of financing NEPAD is critical to the success of its intended programmes. Most of the NEPAD programmes are well intentioned but the majority states fall short of revenue for launching them. There is a need for the individual countries to re-allocate resources to more productive sectors of the economy. These programmes have been identified in the NEPAD document.²⁰⁸ The pledge by the donor community to fund some of the NEPAD-initiated programmes is not a guarantee for their success. The donor community is known in shifting goal posts to suit their interests before releasing funds. Since NEPAD intends to propel the continent to prosperity, dependency on donor community will defeat the purpose of its programmes. To this end decision-makers in the continent should pool and reallocate resources effectively to move away from donor dependency. The viable alternative to NEPAD financing lies on the continent's economically stable countries in to lend hand to the less stable countries to pull them out of their dragged economic development.

⁰⁷ G. P. Okoth, & B. A. Ogot, (eds.) Conflict in Contemporary Africa. Nairobi, Jomo Kenyatta Foundation, 2000. p.7

⁰⁸ For details refer to Chapter Two, Section 2.4. on Objectives of NEPAD.

The NEPAD initiative should move from rhetoric to action. Previous economic initiatives have been outlined on paper but most of the goals remained unachievable due to lack resources to mobilise some of the programmes. NEPAD has formulated its document and identified shareholders responsible for economic growth. The participation of the private sector and civil society has been known to enhance long-term and reliable economic governance. The participation of the private sector and civil society also enhance economic governance through people participation in economic affairs.²⁰⁹ Poverty eradication should be people centred and the government programmes must be designed to incorporate people's representation before launching them. People-centred programmes will make the people embrace them and help the governments achieve their objectives in economic governance.

From these observations and recommendations, the African governments therefore have a wide range of options on how to tackle the underdevelopment that has perpetuated poverty over several decades. The governments in Africa should seek to alleviate poverty through proper planning at domestic levels. The MDGs already provide a pathway for combating extreme poverty. In the Kenyan context, the Ministry of Planning has taken charge in harmonising the MDGs with the NEPAD goals.²¹⁰ The country specific efforts are necessary in enhancing the social and economic development of the people.

The decision-makers, diplomats and political leaders need to play their roles adequately to achieve the ultimate goal of Africa's economic growth and

²⁰⁹ F. M'boge & S.G. Doe, African Commitments to Civil Society Engagement: A Review of Eight NEPAD Countries. Pretoria, op cit, p. 33

²¹⁰ Ministry of Planning and National Development, The Planning Bulletin, Vol 2. 1 Jan 2005 pp 14-15

development. Country NEPAD secretariats including the Nairobi Secretariat should endeavour to coordinate the programme activities focused on jumpstarting economic growth. Despite the resource constraints, through collaborative approaches, African continent will assert its appropriate position in economic growth.

The relegation of Africa into a continent of poverty has engendered problems not only in Africa but also in the rest of the world. The rest of the world should, especially the developed nations, play a partnership role to jump-start Africa's economic growth.

This research has accomplished its ultimate objective to identify the place of NEPAD in Africa's economic growth and development and the factors that inhibit it to perform its role adequately. NEPAD is an instrument that has spelt where the rain began beating Africa economically. It is evident that it is colonial legacies and lopsided trade practices.²¹¹ It has laid down a foundation on how to resolve the imbalanced economic and trade practices that continue to exploit Africa's resources.

This research hypothesised that good governance will contribute to development in Africa. This hypothesis was confirmed in the case study of Kenya to be true. Good governance has been identified as a pillar to spur economic growth within countries. Kenya for example has been identified as embracing democratic values faster than the other countries in the region. This has made it attractive to investors. Kenya is making quicker steps in economic growth and this should be a lesson for them to

²¹¹J. Stiglitz, Globalisation and Its Discontents, op cit p 114

learn from. In addition partnership forms a basic element in achieving effective regional integration.

Similarly the hypothesis on prudent reallocation of resources by governments in key sectors will lead to a greater development was affirmed in Kenyan context. The sectors that require revamping for expanded economic growth were cited as infrastructure, ICT, education and health. In Africa's effort to achieve sustainable economic growth and development, countries must adopt a viable mode of prudent resource allocation to sectors that have higher returns in the economy.²¹²

The hypothesis on NEPAD initiative not being effective in promoting sustainable development was falsified in the research. The NEPAD initiative through collaborative approaches within Africa will provide a competitive edge in negotiations with partners.

Therefore it is an opportunity for Africa to realise its goals in the 21st century through NEPAD despite the emerging challenges. These challenges can be overcome only if African leaders cooperate, and initiate common action in their respective countries and the donor community becomes sincere and opens its markets for the entry of Africa's products and services.

²¹² Refer for details in Chapter 4, Section 4.3 on NEPAD Kenya: Areas of Involvement.

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Appendix I

QUESTIONNAIRE

My name is Josphat K. Maikara. I am a student pursuing a Masters Degree in International Studies at the University of Nairobi. I am undertaking a study on the factors inhibiting the effectiveness of the NEPAD initiative for development of Africa: A case study of Kenya as part of the requirement for the programme. To facilitate the study kindly answer the following questions. I promise to keep all the information obtained from you in strict confidence.

1. NEPAD is a new initiative in Africa, how has it been received by Kenyan Government?

2. What is your view about NEPAD's role in Kenya's trade and export promotion?

3. Do you perceive NEPAD as a tool that might address the severe poverty rate in Kenya ?

4. What are the arrangements NEPAD has put in place to network Kenya into foreign markets ?

- 5a) Has the Kenya NEPAD secretariat designed any gender mainstreaming programmes ?
 - i) YES.....move to question (c)
 - ii) NO.....move to question 5(b)
- b) What are the hindrances towards designing such a programme ?

- c) What are some of these programmes ? what are their prospects ?
- 6) In a wider context, NEPAD is supposed to cater for African development. Are the NEPAD objectives likely to interfere with regional development objectives like those of EAC? If yes what is the remedy?
7. In your opinion do you think African Leaders are willing to support the initiative?
- i) If yes, how ?
- ii) If no, what should be done to address this anomaly?
8. How much has the NEPAD secretariat ensure information about its operations are acquainted to Kenyans and stakeholders?
9. What are the immediate areas of focus for NEPAD in the next five years?
10. What is your opinion on the success of NEPAD initiated programs?
11. Would you project NEPAD initiatives to end African's marginalisation ?
12. What are the future prospects of NEPAD in Africa?

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