

the Courier

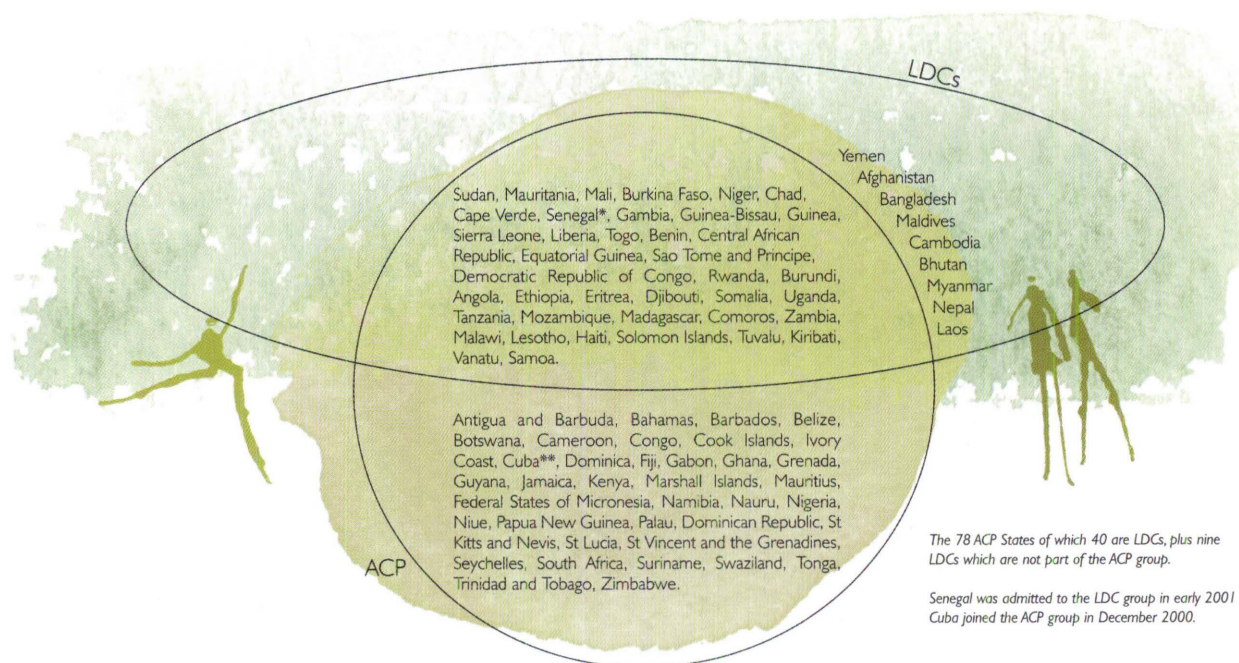
the magazine
of ACP-EU development cooperation



COUNTRY REPORT
The Gambia

DOSSIER
**Least Developed
Countries**

THIRD UN CONFERENCE



Dossier DOSSIER

Least Developed Countries

The poorest of the poor...

Thirty years ago, the United Nations identified 25 countries as the world's poorest and most vulnerable. Designated "least Developed Countries" (LDCs), they needed urgent support from the international community. Despite this, the number of countries in this category has now risen to 49, more than 10% of the world's population. How can we call a halt to the widening gap between rich and poor? How can we share the benefits of globalisation? A Third United Nations Conference on LDCs will take place in Brussels from 14 - 20 May, hosted by the EU. For the international community, it is a crucial moment to show its commitment to the world's most vulnerable people.

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**The Gambia, Kununku
Rice harvest
Caroline Penn/Panos Pictures**

**Published in English and French.
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The ACP-EU Courier

is the main publication of the African, Caribbean and Pacific countries and the European Union. The EU provides ACP countries with preferential access to EC markets and substantial development assistance (some two to three billion Euros a year). The ACP and EU cooperate at a political level and engage in a continuous political dialogue: in trade, to promote the integration of the ACP countries into the World Economy and in development assistance, with the clear objective to promote sustainable development and reduce poverty.

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Putting developing countries into the driver's seat



Dutchman Koos Richelle arrived in Brussels in February to take over the helm of development cooperation. After five years as Director-General of international cooperation in the Dutch ministry, he is no stranger to this field. There, he was involved in reform and decentralisation to the embassies, important experience for the job which faces him. DG Development too is in the process of reform, which includes strengthening its Delegations. Mr Richelle was also Director-General of Welfare and closely involved in the World Summit on social development, as vice-chairman of the preparatory committee.

He comes across as a staunch defender of developing countries, a plain speaker, who is also adamant that developing countries themselves move into the driver's seat.

What are the most important lessons you have learned from your previous post?

"You are inclined to learn from your mistakes, and try not to make them again. But I am confronted with the reality that my responsibility here is far more limited than in the Netherlands. Here I am heading a DG that is responsible for policies and programming, with the whole operational part done elsewhere. That's fine with me if it's the structure chosen before I entered. It is a very important task, because the Cotonou Agreement has to be largely implemented by this DG. That implies change; regarding programming cooperation and putting the recipient countries in the driver's seat. Choosing the sectors in which to cooperate is a painful process for many countries, and it doesn't always meet acceptance. We have to make sure that the programming is carried out in a participatory way, to include civil society. In moving from projects to programmes, we have to assess where it is feasible to operate and where not. I had some experience of this in the Netherlands, and I have seen how difficult it is. I know that it will take time and constant attention from all people involved. We must empower the Delegations. There is a difficult cultural change to be made, where you can always doubt to some extent whether it is responsible to transfer power, money and people. But we have to do it because in future the bulk of the policy-making, political dialogue and concrete action will be on the ground.

You say one of the difficult things will be changing the culture and the mentality. Do you think it will be a little like teaching old dogs new tricks, in that there is a radical

change in how we are going to do things but we still have the same people, the same structures?

People are seldom the biggest impediment in development, as long as they understand what is going on. So we have to invest heavily in knowledge, in the policy meaning behind all this, that it's not something that has been cooked up by two people in some small corner. It has been discussed and debated amongst donors for decades. A lot of the people working here are involved and supportive, and eagerly waiting to get the show on the road. I don't expect too much opposition. There might be, in a few concrete cases, some misunderstanding on how to operate and on how fast to operate, but this is a process and we all have to take part.

You were also a DG for welfare. How do you think you can bring this experience to bear on the social sectors in the developing world?

Well, I'm not trying to export everything I did to the developing world! In every society you have people who are well-off and those not so well-off, people who are unable, or unwilling to take care of themselves. I think the quality of each society can be measured by, amongst other things, the way it treats the weakest in that society. That goes for every country, also for the developing countries and for the international community as a whole. The same problem areas are found in all countries: productive employment, preventing social exclusion, and poverty eradication. In developed countries you have relative poverty. No society has been completed, all countries are in development, all societies produce people who cannot take care of themselves, and

then you have to take care of them in such a way that they can stand on their own feet as soon as possible.

The "Everything but Arms" initiative has been well received, and regarded as a symbol, in that, coming up to a new WTO round, it will encourage other developed countries to follow suit. But it has also had a hard time, criticised most recently at the Joint Parliamentary Assembly in Gabon.

I would not agree with the definition of it as a symbol. It is more than a symbol. It is a concrete action. Of course it is only directed at a certain category of countries, and others might feel uneasy with that. It is a step forward, and a clear signal. In Gabon, it was also appreciated. What was criticised was the procedure, that it wasn't properly discussed with all the partners in the ACP area, and they might have a point. But the accomplishment is so important that there was appreciation that it was realised. One might see it as a step towards a new WTO round. I hope this will really be a development round, because the difference in position between developing and developed countries must not increase. We really should make an effort to get as many developing countries as possible on board. We also have to work on capacity-building with the developing countries, and we also desperately need to work on communication. A lot of what happened in Seattle was because of misinformation, and was organised by protectionist groups from some countries. I think it would be unwise to go for a next round if we are not clear about the targets and the methods we want to use. We should really focus on the interests of developing countries. Better have a postponement, and invest in good preparation, than start off the round because it's necessary in the eyes of the world.

The Statement of 10 November on the EC's development policy. Do you think that this was a step towards a specific European model of development, different from other concepts?

What is in the air now in the donor community is not to have too many hobbies in development cooperation. It is time to operate on the basis of shared values, harmonised policies, and a limited number of targets, with the developing countries in the driver's seat. If we are really to base our national indicative programme on the poverty-reduction strategy papers, then it is the developing country that decides. The notion has gone through that donors should lower their flags in development cooperation, that they should work together to realise the internationally-agreed

Next WTO round:

"I hope it will really be a development round, because the difference in position between developing and developed countries must not increase"

targets, and that means development in the first place, and not donor interests. For some countries and organisations that is a cultural shock.

You have arrived at a time when we are starting to implement the Cotonou Agreement. Would you say that this agreement contains a certain vision of how the partnership should be, not just trade and aid, but equal partnership and political dialogue. Does this show a maturing of the relationship?

Certainly. I think that's also what our partner countries want, and have asked for for a long time. Relations were unequal because in the past we could enforce our policy ideas through the power of our money. We have to become more transparent, predictable and reliable. When you explicitly say that money will be spent in accordance with the demands of the recipient country, it means you really have to sit together on an equal footing and discuss developments openly. You can only do this when you see each other on a regular basis. That's why it's important to empower our Delegations, because they have to perform this political dialogue on a continuous basis. So Cotonou really emphasises partnership and equality in our relations.

Many of the world's poorest countries are in Sub-Saharan Africa. A few years ago there seemed to be a renaissance, but now the word hopeless is cropping up again, with conflict, disease, low growth. What can Europe do to respond to this situation?

The question should be 'what more can we do?' because a lot is being done already. Let's be clear that we cannot be active on the basis of remote control. It's the countries themselves that take decisions, that let things get out of hand, and we can only be there when they appreciate it. Of course, we will not wait to hear a cry for help, we will try to be active in the field of prevention. We have early warning systems and other instruments. Part of the Cotonou Agreement is that we dialogue about efforts to control and improve things. If this doesn't happen we are entitled to take measures, even to freeze development cooperation. That's a last-resort instrument, which we shouldn't use too quickly. We cannot give a general prescription on how to deal with crisis situations, because every situation is different, so every reaction should be tailor-made. We also cannot turn away from problem situations. That is not partnership. We should be there, we should encourage them to take the right way. But we can't take over, and we shouldn't.

You've just got back from Gabon, where you attended the Joint Parliamentary Assembly. How did you find this?

The Joint Parliamentary Assembly is important because you have an exchange of views from both sides. This happens not only in the formal meetings but also in the margins. It is very fruitful because you find the time to sit down and explain to each other what the difficulties are. I attended a few of those margin meetings and I was surprised by the openness with which issues were discussed. I took the floor a few times, when it seemed there had been a misinterpretation of the facts. Once was about Haiti, to clarify that the Commission had never abandoned the population, as some parliamentarians seemed to think: we stopped direct budgetary support to the government, but we continued to work through the NGOs. Furthermore, we did not close the deliberations unilaterally, we came to the conclusion that there was no interlocutor available. The Commission asked questions but never got an answer. I have stated that as soon as we receive an answer to our questions that are pertinent and valid, we are prepared to start new discussions. Article 96 is, by the way, one of the most difficult articles to implement, because we want to make absolutely sure we are not measuring with two measurements. It is really a last resort. You should have the normal political dialogue with the Delegation, and if that doesn't help, you could envisage a demarche from Headquarters, or the Troika, to the country. If that doesn't help, the country is called in on the basis of Article 96. But then the storm flag has already been flown, and they know it's heavy weather. If we use Article 96 in that way, then it's clear that things are really very serious. I'm not in favour of defining exact criteria for implementing Article 96, because this is done in a political environment. The stages I mentioned are in the average situation. When there is a coup d'état or something else really tragic, you probably cannot go through all these stages, you have to act immediately. But it's a difficult one. Forgive me for exploring this area, but political dialogue is very important in Cotonou, and there was a lot of attention on the application of Article 96 during the Joint Parliamentary Assembly.

How would you respond to the criticism that Article 96 is applied in some cases but not in others where there may be an equally difficult situation?

I would say we really have to do our utmost to come up with some kind of common understanding of the circumstances and conditions under which Article 96 can be applied, and not a fixed and well-defined set of criteria. We should focus on the real situation of people living in these

countries. We should realise we are dealing with a political process. But being transparent and predictable to the largest extent possible, is and has always been my point of departure.

There has been a lot of discussion going on about the changes in DG Development, which have caused some uncertainty.

I was alerted that personnel might be demotivated. I think there are a lot of people here who are really puzzled by what went on, and questioning the way tasks have been divided internally, as well as between Development and other DGs. My position on that is that we should focus on the tasks we have before us and perform them very well. We have to do so, because the life cycle of organisations nowadays is limited to three or four years. So we have to work hard, do the work that is before us, and make sure that we do it on time, to be well positioned for the next round.

"I am strongly in favour of retaining a Commissioner and a Directorate for Development Cooperation"

If DG Development were subsumed into External Relations, would that really be a problem?

It is a discussion that is also ongoing in a lot of Member States. The bigger donors have decided to keep on a separate entity for development cooperation. Why? Not just because it is a very busy area, with a lot of contacts going on, a lot of countries to be served on a permanent basis. But there is also a lot of money involved, a lot of interests, so we need good and daily relations. You need enough capacity to do this. More important is that development cooperation is an area where you need a spokes-entity for the interests of developing countries, putting them first. That means that development people are a pressure group within the organisation. This gives a clear signal to the outside world that we value the interests of developing countries. It should not be dealt with at a bureaucratic level, according to the most efficient way of dealing with things. It has to do with something more than efficacy and efficiency. It also has to do with principles. I am strongly in favour of retaining a Commissioner and a Directorate for Development Cooperation. I could imagine another division of labour with other directorates than the present ones, but making development cooperation a directorate within a bigger DG would, I think, be a step backwards. Things might change in a decade, but as things stand now, we would not be serving the interests of developing countries by abolishing a separate service, DG Development.

Interview by Dorothy Morrissey

The Cotonou Agreement: innovative programming by Athanassios Theodorakis, Assistant Director General, DG Development

Poverty reduction, ongoing political dialogue, a readjusted commercial framework, private sector development and a new spirit of cooperation with civil society are major innovations of the Cotonou Agreement. The innovative approach to programming – perhaps less newsworthy and more technical – nonetheless represents substantial progress in the new Partnership Agreement.

Since the Agreement was signed on 23 June 2000, ACP countries have thrown themselves into the new programming process. This critical phase must lead to the definition of a meaningful development strategy specific to each country. Each national strategy document will lay the foundation for cooperation with the European Community until 2007 and outline the principal framework for targeting and reviewing programmes.

The new programming process will be a participatory and coordinated mechanism for enhancing complementarity between the Community and partner countries. It is designed to promote the involvement of each segment of society and facilitate the coordination of actions on the part of all players, centred around national strategies. This redefinition of programming has a simple goal: ACP countries should take over and manage their own development.

To support them in this task, the Commission will advise ACP partners of the financial allocations they can benefit from during 2002-2007. The amounts are fixed on the basis of criteria linked both to the needs and the performance levels of the partner countries.

These allocations are not fixed in stone and may be reviewed upwards or downwards in the light of changing needs and the recorded performance levels. To this end, cooperation between the beneficiary country and the Community will be the subject of regular evaluations aimed at updating the working programme.

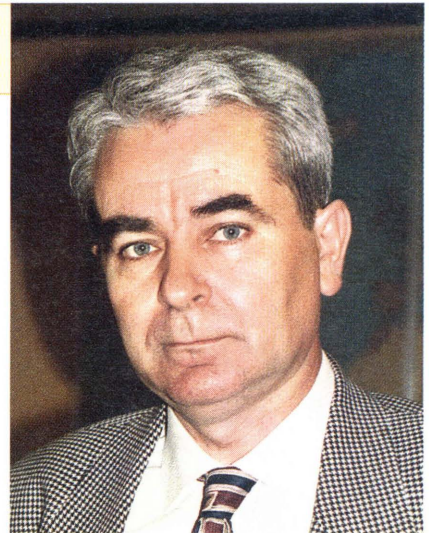
National strategies - a strong foundation

Each national strategy, which is the driving force behind the new Agreement, embodies the will of governments and partners to join together to create a vision for the development of their country. This participation process has already been launched by a number of countries. In future, the national strategy must become the basis of all development programmes, whether financed by the Community, EU Member States, other donors or by the national budget. The Cotonou Agreement envisages the possibility of tipping the balance progressively from project aid to budget aid within the context of macro-economic and sector-based reforms. The success of such decentralisation of cooperation to the benefit of the ACP countries will depend on the quality, transparency and efficiency of public affairs management. Moreover, good governance is defined as a fundamental element of the Cotonou Agreement.

Efforts to be rewarded

Another key element in the new partnership agreement is performance, which will determine the amount of allocations and their potential adjustments. Progress made in the use of resources and poverty reduction will be rewarded. Efficient cooperation is also closely linked to focusing on a limited number of well-targeted sectors and to enhancing the complementarity of the different kinds of support provided. Although it is imperative for each priority to be covered by a financing arrangement, it is unnecessary for each partner to be present in all development fields. The European Union has structured its development policy around priorities adopted by the EU Development Council on 10 November 2000. As a result, the Community has proposed the following priorities:

- trade and development



- regional integration and cooperation
- support for macro-economic policies, particularly sector-based programmes in social fields (health and education)
- transport
- food security and sustainable rural development
- strengthening institutional capacity
- good governance and the rule of law

As for implementation, the Commission has launched a profound and in-depth reform of its management of development actions and programmes. Efficiency, decentralisation and devolution are the new guiding principles for our services in Brussels and our Delegations. This will ensure better quality in Community aid and will support the fundamental objectives of the fight against poverty and the successful integration of ACP countries into the global economy.

With the participation and complementarity of donors, the new programming process aims to become a tool to better serve ACP countries. To achieve international development objectives and to transform the globalisation of the economy into an opportunity for all, it is also important for ACP countries themselves to set up policies to attract investment and to develop basic infrastructures. They must also guarantee proper management of public finances and set up high performance education and public health systems to ensure that economic development benefits all their citizens.

ACP-EU Joint Parliamentary Assembly A more important role for a new-look Assembly

The second session of the ACP-EU Joint Parliamentary Assembly was held in Libreville from 19 to 22 March, in a spirit of friendship and cooperation. This was not a new experience for the capital of Gabon, which had already played host to ACP parliamentarians and their European opposite numbers in 1994. This time, though, the climate was different: this was a renewed and innovative assembly, determined to play its full part in resolving the main problems of ACP-EU cooperation, which were duly addressed during the four-day session. Poverty eradication, conflict prevention and resolution, the implementation of the Cotonou Agreement and a particular focus on the specific problems of Central Africa: these were the main topics of discussion.

Text and photo Kenneth Karl

The second session of the new Joint Parliamentary Assembly (JPA) opened on Monday 19 March at 11.00 am with all the solemnity of the traditional formal inaugural sitting. The various dignitaries who, one after the other, addressed the assembly from the rostrum of the Palace of Democracy seemed to have co-ordinated their speeches in advance. The eradication of poverty, conflict prevention and peace-building were dominant themes in all the speeches, giving a foretaste of the debate to come. Mr D. Divungi Di Ndingue, Vice-President of the Gabonese Republic, began by emphasising the importance of the JPA in consolidating the ACP-EU partnership, and stressed that poverty eradication must be at the heart of development policy. The two Co-Presidents, John Corrie and Serge Clair, chose to focus their speeches primarily on the problems

of conflict. They recalled the important role of the Assembly in promoting peace, and spoke of progress achieved by several ACP States in this area, and the challenges that still had to be met. Over the days that followed, the representatives examined various subjects through the traditional series of questions to the Commission and to the Council, analysing the various thematic relationships between them.

Chamber of the Palace of Democracy, where the Assembly met.

Ratification is urgent

During discussions with Poul Nielson, European Commissioner for Development and Humanitarian Aid, several Members of Parliament voiced their worry about the delay in ratifying the Cotonou Agreement, and urged that the Member States give immediate attention to this formality. Although some ACP States had already ratified the Cotonou Agreement, no EU Member State had yet done so. The problem caused by this delay raised the question of how sincere the European commitment was, said Mr A. Bawa-Bwari, a Nigerian representative. The European Commissioner



reminded the assembly that the resources of the ninth EDF could not be released until the agreement had been ratified; he was reassuring, but nevertheless acknowledged the need to bring pressure to bear on the European States. The President-in-Office of the ACP Council, Mr H. Hamutenya, sounded a note of warning in his speech, saying that delayed ratification could jeopardise the fundamental objective of ACP-EU cooperation: poverty eradication. Several representatives called for the EDF to be included in the Community budget. Such a step would make it more flexible to use and place it under Parliamentary control, which would be consistent with the growing powers of the JPA.

Poul Nielson also described to the assembly the advantages of the Cotonou Agreement and the reform of the Commission's external aid, and welcomed the creation of the new EuropeAid Co-operation Office.

'Everything But Arms' yes, but.....

The debate returned frequently to the anxieties raised by the Commission's 'Everything But Arms' initiative, designed to open up the EU market completely to products from the least developed countries (LDCs). A number of representatives felt that this initiative, despite a lack of prior consultation, was praiseworthy in principle but questionable in its foundation and difficult to apply. It threatened to divide the ACP countries and give rise to inequalities between them, said the French Green Party member Didier Rod. This initiative might also lead to a situation where the LDCs were exporting foodstuffs even though most of them were suffering from food shortage. Dr R. David, a member of the South African Parliament, expressed his concern at the consequences of this proposal for certain other countries which, although not LDCs, were nevertheless vulnerable and required special treatment. The Assembly adopted a resolution on this subject, calling upon the Commission

to exercise caution in applying this initiative.

Representatives also urged caution in connection with future trade negotiations with the ACP States, which should take due account of the position of the weakest countries and genuinely incorporate development objectives. Members also examined the report by K. Junker (PSE, D) on access to global communications for the ACP States, and the report by E. Monou (Benin) on the JPA Rules of Procedure.

Workshops for a better understanding of regional problems

The wind of change that has blown through the JPA since the signing of the Cotonou Agreement was evident in Libreville – quite apart from the major innovations relating to the Rules of Procedure – in the changes made to the assembly's working methods. For the first time, members were divided up into three specific workshops to discuss the particular problems of a region – in this case, Central Africa. Conflict prevention and resolution, health and basic education and EU aid to agriculture and infrastructures in Central Africa were the main topics that occupied the working committees for an entire afternoon.

Development without peace is little more than an illusion: this was the conclusion reached by the Members of Parliament and specialists who attended the conflict workshop to debate crisis situations and try to find ways of resolving them. Although the various approaches to handling on-going crises and post-conflict situations were debated at length, particular emphasis was placed on prevention, because it was here that the international community had failed to act with sufficient resolve. Glenys Kinnock (PSE, UK), rapporteur for the workshop, expressed her regret at what she saw as an absence of any real political intent, essential if a genuine conflict prevention policy was to be instituted. It was imperative, she added, to move on from what was literally a conflict management culture to a conflict prevention culture. There were many factors that played a part in the origins and causes of conflicts, and they must be identified and analysed as thoroughly as possible. While some conflicts were internal (related to poverty, socioeconomic inequality, social injustice, power



struggles, ethnic clashes, etc.) others could be laid at the door of outside interference which exacerbated crisis situations. It would also be necessary to modify cooperation with countries that devote a major proportion of their budgetary resources to buying arms, and reinforce the code of conduct on arms sales internationally. During the press conference, Serge Clair, ACP Co-President of the JPA, returned to this subject, emphasising the contradictions between talking about crisis prevention and the inability of the developed countries to legislate effectively on arms sales. Mr Aldo Ajello, the European Union's special envoy for crisis resolution in Central Africa, also deplored this lack of any preventive policy, and he went on to give an account of his experiences in the region. EU Co-President John Corrie stressed that conflict was the major challenge to development in the ACP countries, and more particularly in Africa. To prevent it, good governance was essential, all the more so because, when the rule of law and human rights are respected, there is little scope for the growth of dissenting movements that lead to violence and other destructive tendencies. He called for a major conference to be held on conflict in Africa. Soon afterwards, the Assembly was very pleased to hear about the mediation efforts undertaken by Gabon and its President, Omar Bongo, aimed at establishing a minimum of stability in Central Africa. The case of the two Congos was discussed at length. On the subject of crisis management, Phillipe Morillon (PPE/DE, F) argued that international law should be changed to "set limits to the unacceptable." The right to intervene must become an indispensable element and instrument in crisis management. Members also debated several other questions relating to conflict, such

as post-conflict reintegration policies, the vital role of women, the scale of financial and human resources, the role of international organisations, etc.

Other debates...

The workshop on health and basic education in Central Africa was equally effective in getting the attention of the Assembly, which acknowledged the importance of these sectors in the campaign against poverty and for development. The Gabonese Minister of Education, A. Mba Obame, highlighted the weaknesses of his country's educational system and spoke about the efforts made by his government to increase school attendance and reduce the dropout rate. With regard to health problems, experts gave presentations on the infrastructural, financial and food constraints afflicting the region, and especially the current disastrous health situation in DRC.

On EU aid for agriculture and infrastructures, there was a consensus that it should be increased and the draw-down periods reduced. Members also learned about the regional road projects and the terms for the privatisation of the Trans-Gabon railway.

Several representatives expressed their satisfaction with this system of discussions by thematic workshops, the efficacy of which would of course be measured against the yardstick of improved cooperation in the regions. The proceedings of this second session of the JPA concluded with the adoption of some 20 resolutions. The next session of the JPA will take place in Belgium in six months' time.

Resolutions adopted by the ACP-EU Joint Parliamentary Assembly in Libreville :

- on the negotiations in the framework of the WTO
- on WTO negotiations
- on the importation and local production of generic drugs
- on the negotiation of new ACP-EU trade agreements
- on food safety in trade between the EU and the ACP countries
- on 'Everything But Arms' (EBA)
- on bananas
- on rum
- on sugar
- on the use of depleted uranium ammunition
- on the use of depleted uranium weapons
- on racism and xenophobia and their repercussions on ACP-EU relations
- on human rights
- on tourism and development in the context of the management and control of the European Development Fund (EDF)
- on the management and control of the European Development Fund (EDF)
- on EDF management
- on the situation in West Africa
- on Central Africa
- on Burundi
- on southern Africa
- on flooding in Mozambique
- on the political situation in the Comores
- on the question of Belize
- on the situation in Haiti
- on accession by Cuba to the new Agreement
- on the situation in Fiji and the Solomon Islands

Porto Alegre or Davos?

Joseph Ki-Zerbo pins hope on worldwide citizenship

Joseph Ki-Zerbo, the first African to qualify as professor of history, is one of the foremost thinkers of independent Africa. Speaking in Switzerland at the Graduate Institute for Development Studies, he claimed that Africa's true allies were all at the "other Davos" conference.

InfoSud / Carole Vann

“ In the world in which we live, there are the globalisers and the globalised.

Africa belongs to the latter category.” Joseph Ki-Zerbo's manner was affable as he addressed a mainly

African audience at the Graduate Institute for Development Studies in Geneva. “It's all about the balance of power. You have to know whether you are subject, actor, onlooker or just a mere prop in the play being staged. In Porto Alegre, the people of the world tried to win back their lives in the game being played today and to become players themselves. They are our best allies.”



Dado Galdieri/AP

At 79 years old, the old lion – as he is known at home in Burkina Faso – has still not given up his fight for democracy. This is a man who has been involved in every struggle his continent has fought, intellectual and political. He was the first professor of history in French-speaking Africa, but in 1958, when Guinea-Conakry gained its independence from France, he gave up his job as a lecturer at Dakar university and flew to the aid of this country which France had “punished” by depriving it of all technical assistance. He has also written several books, and is one of the authors of *The History of Africa*, a major work published in 1978 under the auspices of UNESCO and translated into 8 languages.

globalisation is by no means a new phenomenon. “The slave trade was a major factor contributing to the industrialisation of Europe,” he says. “Then came the colonial pact, in which Africa was carved up into pieces and obliged to supply raw materials. This is still the case today. We are confined to areas where we earn as little as possible and where cultural value has the least chance of spreading.” In his opinion, this cultural value can only exist in terms of added value. Yet 60% of Africa’s exports are raw materials with no added value. “Exporting raw cotton does not serve to convey any cultural message.”

The historian takes a humorous tone as he dismantles the tenets

but to the price of the raw materials we allow to slip through our fingers. Yet they never talk about adjusting that structure. The same applies to exchange rates. The big banks make all the decisions.” When it comes to debt, things are no different. “Debt cancellation is not viable in the long-term,” he asserts, “because we are addressing a system rather than tackling the cause. Debt is inherent in the structure of the colonial pact. The truth is that we confuse the health of the African people with that of the economic indicators, which is like putting the health of the thermometer before that of the patient. Look at Burkina Faso! It is held up as the World Bank’s best pupil, yet we remain at number 172 out of 174 countries in the world. Nothing is changing.”

According to Professor Ki-Zerbo, Africa must battle on several different fronts at the same time. First, it must fight to reinstate a historical truth. “Africa is the cradle of humanity,” he reminds us. “Too often this gets forgotten. If it were the United States, CNN would broadcast the fact every single day. Yet never in the history of mankind has any group been made to feel more inferior than the blacks. All the atrocities committed against them are known, but not acknowledged.”

On the economic front, he maintains, Africa will only be able to carve itself a proper share of the market place by enhancing its negotiating powers. To do this, it needs to create an internal market and sharpen competitiveness between regions. “But to set ourselves up, we need allies. And today our hopes are pinned not on the States but on a worldwide citizenship which found expression at the ‘anti-Davos’ conference.”



The Courier

Throughout his life, Joseph Ki-Zerbo has never stopped urging the African people to break the chains which still bind them to their former colonisers and to take charge of their own destinies. In his view,

fundamental to the World Bank and the IMF. The adjustment programme? “Adjusted to what, I ask myself? The real structures which decide our fate are not related to inflation or budgetary imbalance,

The Cotonou Agreement

... work in progress

Signed on 23 June 2000, the ACP-EC Partnership Agreement was widely regarded as innovative, radically overhauling predecessor agreements, and reflecting a particular vision of the partnership. This blueprint for development is now being put to the acid test, as the foundations for the implementation of the 20-year agreement are being put in place.

by Dorothy Morrissey

A seminar in Paris on 5 and 6 March provided an opportunity to reflect on the agreement, examine how its concepts can be applied, and take stock of progress so far. Academics, practitioners, civil society, administrators – ACP and EU – came together to reflect on the measures proposed in the Cotonou Agreement.

This agreement was concluded after 18 months of intensive negotiations between the parties, against a background where official development assistance was at a historic low, having decreased by a third during the preceding ten years. The effectiveness of the Lomé aid and trade model was under scrutiny: while it had certainly brought improvements in the social sectors, the trade preferences accorded to ACP countries had not had the hoped-for impact. Despite non-reciprocal trade preferences, the ACP share of the EU market dropped from 6,7% in 1976 to 3,4% in 1997, according to EU figures.

“There was a need for reform, to adapt to a changed global context,” says Françoise Moreau, EU senior official and member of the task-force negotiating the new agreement. “There was also a necessity for a profound change in its spirit and nature.”

During the negotiations, consensus was reached on how to deal with sensitive issues such as good governance, corrup-

tion, migration. These were new concepts not yet experienced. The EU role was not to be just a giver of aid, but a political entity.

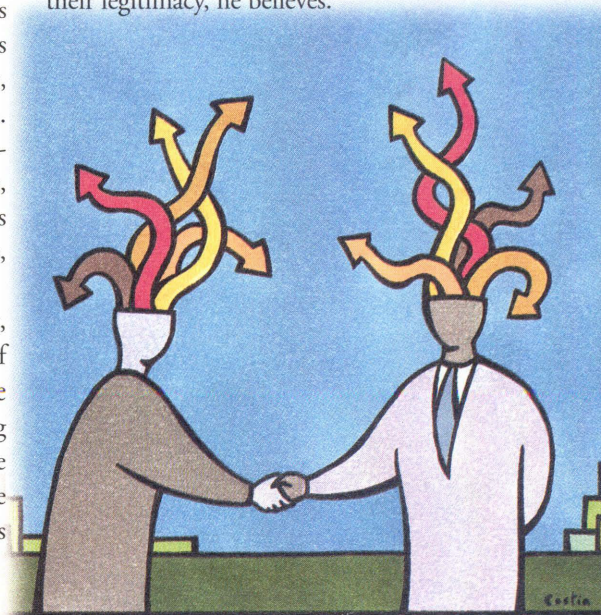
New also was the accent on political dialogue. Article 8 defines the framework, the objectives, and the principles, and is deliberately broad in its approach, not limited simply to questions directly linked to development cooperation. It touches also on areas of general interest, for instance conflict prevention, which is the object of several specific articles. “Article 8 specifies that this dialogue makes it possible to avoid having recourse to the consultation procedures in Articles 96 and 97, foreseen for cases of violation of the essential elements, such as serious cases of corruption. Article 8 should be seen as a sort of pre-consultation procedure, as a positive, regular evaluation of the human rights situation, democratisation, governance, rule of law,” explained Moreau.

“Since the signing of the agreement, there have already been examples of political dialogue,” said Cashai Berhane of the ACP secretariat in Brussels, citing the cases of Haiti and Ivory Coast. “The case of Haiti leaves a lot to be desired...the case of Ivory Coast is a little better.”

Bringing in civil society

One of the particularities of the Cotonou approach is that it aims to reinforce the capacity of the State, while also increasing the role of civil society. “One could imagine that a strengthened civil society means a weakening of the State. In Cotonou, emphasis is put on their complementary role,” says Moreau. The objective is to encourage a participative approach, which should help to consolidate democracy and reinforce the impact of development programmes. Civil society is to be consulted on all sectors, and involved in drawing up the country’s development strategy, which will define how EU development assistance is accorded.

Involving non-state and local government actors will be one of the biggest challenges of the agreement, believes Max Puig, ex-minister and former NAO from the Dominican Republic. But “the agreement is vague on the methods of selecting them.” These actors will have to be better organised, and their capacity reinforced – the only way to ensure their legitimacy, he believes.



Explaining Cotonou

Since its signing, a series of regional seminars has been held to explain the new orientations of Cotonou. National governments, EU delegations, and representatives of civil society and private sector took part. This was an opportunity to put the participative approach into practice. Some guidelines were defined during these meetings, to help national administrations open the discussion on development strategy to other partners.

"How will ACP governments, used to monopoly, share their power? We mustn't take things as given," warned Mr Berhane.

It was a warning that was repeated during the two days. Cotonou, it was felt, contained many innovations, but often lacked precision on how things were to be carried out.

Implementing the agreement would require a fundamental change in culture and mentality. How to avoid "business as usual?" Stefane Brune, professor at the Institute of Political Studies in Paris, warned of a legitimacy trap if the terms of the agreement were not implemented. "It is rare that European aid conforms with the strategies," he said.

Rules and procedures are easier to change than attitudes and behaviour, reflected Max Puig. Cotonou will require "a radical transformation" of the culture, organisation, and practices of the Commission.

EU development policy

Cotonou has to be seen in the broader framework of the European Community's development policy, where recent changes are likely to reinforce its innovations. The November 2000 Statement on the EC's development policy outlines its principles and objectives, and puts poverty alleviation at its centre. "The Statement on development policy makes EC assistance coherent, and shows the necessity for a multidimensional approach," said Dominique Boquet, cabinet director in the French cooperation ministry. He sees the declaration as a "historic com-

promise" on coordination between the EU and Member States' development policies. The Statement is "a sign that the EU is entering a new phase in its development policy," he believes.

Most important to implementing Cotonou, the accent was on capacity. Not only for the ACPs, but the Commission itself, which, in the words of Max Puig must make an organisational *aggiornamento*, if it's to be able to follow its own directives. ACP countries participation too will depend on their capacity.

To sum-up, the three crucial words are, said one participant: "capacity, capacity, capacity." The capacity to deliver and the capacity to absorb.

During the seminar, workshops took place on the following subjects :

- Economic and commercial cooperation
- The political dimension of the agreement
- Aid management and instruments
- Implementation of development strategies

A book will be published containing the principal themes and conclusions of the seminar. It will include the contributions presented during the two days.

Information:
gemdev@univ-paris1.fr.
www.gemdev.org

The seminar was organised by GEMDEV, in partnership with the European Commission and the High Council for International Cooperation.

Trade development and economic cooperation

The approach to trade development under Cotonou provides tariff preferences in a wide consistent approach that aims to integrate the ACPs into the world economy at terms compatible with WTO rules. The EC wants to achieve this through creating free trade arrangements with ACP regional groupings, and by contributing to strengthening their productive and competitive capacities. Participants thought that many ACP economic sectors are not competitive and will have difficulties in benefiting from globalisation and liberalisation on the world market. Concern was also expressed about the capacities of regional institutions and the commitment of ACP governments to regional integration. Also, EC protection is still having a negative impact on ACP export potential, notably in the agricultural sector, not only on its own markets but also through export subsidies.

The ACP countries and the Community Member States recognise that development prospects will depend on economic growth to be achieved through better competitiveness of the ACP firms and strengthening of the market economy. The EC approach is based on the explicit demand by the ACP-EC private sector and provides global instruments for investment promotion and finance and support to ACP businesses.

The discussion concluded by stating that a real partnership between EC-ACP private and public sectors is crucial for the success of the Agreement. Much needs to be done to enhance the business environment in ACP countries, the informal sector is often too predominant and support should aim to make economies transparent and attractive to both local and international investors.

ADRIANUS KOETSENUIJTER



Least Developed Countries

The buzzwords of the 1990s “globalisation and liberalisation” were expected to lead to economic growth for all, and thus to reduce divergence between rich and poor countries. In the case of a hard-core group of developing countries – the UN designated group of LDCs – this has failed to happen. In these countries, there has been little improvement in real income, and economic growth has been slow and unstable. Human development indicators - such as life expectancy, school attendance, literacy levels, infant mortality rates - remain unacceptably low.

This situation is leading to a profound rethinking of development cooperation across the board. Multilateral lending agencies such as the World Bank and the IMF are undertaking in-depth reviews of their operations in low-income countries. There is an international consensus that poverty reduction should be the key target, and a clear willingness on the part of the countries themselves to improve their performance. The Third LDC Conference is an opportunity for LDCs themselves, and the international community, to review policies, and together propose a new approach to tackling inequality in the 21st century.

DOSSIER

Addressing the problems of the world's poorest people

The Third UN conference on LDCs

In the world's poorest countries some two thirds of the population remain illiterate. One child in ten dies before reaching its first birthday. One person in ten has no access to safe drinking water. These shocking conclusions were reached in 1990, when 42 countries were classified by the UN as "least developed." Their combined population was nearly 440 million. Since then the number of Least Developed Countries (LDCs) has risen to 49, with an overall population of 700 million. Criteria for LDC status include: low national income (under US\$900), weak human resources, and economic vulnerability.

Francisco Granell*

Their problems will be centre-stage at a week-long global conference in Brussels this year. The European Union will host the Third United Nations Conference on Least Developed Countries (LDC III) in the European Parliament from 14 to 20 May. It is the first time that the European Union hosts a major United Nations conference.

In addition to UN member states, participants in the conference include UN agencies, international organisations, parliamentarians and civil society, including non-governmental organisations (NGOs) and the private sector.

Things have got worse, not better

In 1971 the United Nations first identified 25 countries as LDCs. In the past 30 years the number has increased to 49. There are 34 in sub-Saharan Africa, nine in Asia, five in the Pacific and one in the Caribbean. Only one (Botswana) has graduated from the group.

It was not until ten years later, in 1981, that the first UN Conference on Least Developed Countries was held in Paris, specifically to address their problems. It recommended major structural reforms in the LDCs.

In the 1980s these reforms were initiated and supportive measures were taken by the donor community (in the field of aid, debt and trade). Nevertheless the economic and social situation of the poorest countries worsened. Domestic policy shortcomings, natural disasters and adverse external conditions contributed to this. In addition, external debt servicing emerged as a major problem for most LDCs.

In 1987 the Seventh United Nations Conference on Trade and Development (UNCTAD) in Geneva recommended that a second UN Conference on LDCs should be convened to discuss the further worsening of the situation and to propose ways to reactivate and accelerate growth in these countries. The confer-

ence was held in Paris in September 1990, with the participation of 150 countries. It resulted in the "Paris Declaration" and a "Programme of Action" for the LDCs for the 1990s.

The main objectives of the "Programme of Action" were to halt further deterioration in the LDCs, to renew and accelerate development and, in the process, to put them on the path of sustained growth.

Why a third conference?

The Paris programme was an important step forward and contained many new initiatives. But an assessment of progress, in 1995, noted with great concern that despite vigorous efforts by LDCs to carry out economic reforms they had, as a whole, been unable to reach many of their objectives. Their overall socio-economic situation had continued to worsen.

The limiting factors on progress include a number of domestic and external factors set out below. Some LDCs are also vulnerable to natural disasters. Where these occur efforts are often concentrated on immediate humanitarian aid without considering the requirements of long-term development, including disaster prevention and awareness.

Key policy areas and measures in the Paris "Programme of Action"

- establishing a macroeconomic policy framework conducive to sustained economic growth and long-term development
- developing and mobilising human resources
- expanding and modernising the productive base
- reversing the trend towards environmental degradation
- promoting an integrated policy of rural development aimed at increasing food production
- enhancing rural income and non-agricultural sector activities
- providing adequate external support.

Domestic factors hindering the development of LDCs during the past decade

There have been shortcomings in governance leading to civil strife, border and ethnic tensions and associated high military expenditure. This not only causes immense human suffering but also diverts resources away from development. 14 out of 33 African LDCs have recently experienced violent conflicts.

There have been shortcomings in macro-economic policy design and management. Unemployment, environmental degradation, poverty and social exclusion are associated with social tension.

The high rate of population growth has been an obstacle to reducing poverty. The AIDS pandemic has ravaged many sub-Saharan countries.

The performance of the agricultural and rural sector has been disappointing. In some cases food production cannot keep up with population growth. This compels the poor to adopt unsound farming and grazing methods. Women have not been sufficiently involved as either agents or beneficiaries of development.

Domestic resources and domestic savings have not been properly used for development. Low budgets mean that financing is not available to develop productive capacity and infrastructure.

There has been a lack of appropriate legal and institutional frameworks for the promotion of private businesses.

External constraints on development

While there has been an increase in exports of manufactured goods, the LDCs' share of world trade has fallen to its lowest level.



Despite vigorous efforts to diversify their largely commodity-based exports, the LDC economies have continued to be vulnerable to the instability of commodity markets, prices and terms of trade.

Official Development Assistance (ODA), on which LDCs depend for their external financing, has registered a sharp decline. LDCs have not attracted significant foreign investment, although a number of them have adopted national regulatory frameworks conducive to it.

Despite measures to alleviate external debt, this burden continues to be unsustainably high for many LDCs and seriously compromises their development efforts.

The need for international focus on the problem

In 1997, the UN General Assembly formally noted its concern at the continued marginalisation of LDCs in world trade, the reduced flow of development resources to these countries and the serious debt problem. It agreed there should be a Third Conference on LDCs with a broad mandate to review the lack of progress and to see what further action should be taken.

The General Assembly asked the Secretary-General of the conference to organise an intergovernmental preparatory committee and expert-level meetings.

It asked the administrator of the UN Development Programme to ensure the full involvement of the resident co-ordinators and country-teams in the preparatory process. It also called upon the UNDP and the World Bank to link the upcoming "round table" and "consultative group" meetings to the preparatory process of the Conference.

Consultations were held with Member States, and measures taken to involve civil society, including NGOs and the private sector, in the preparatory process and in the conference.

The conference agenda has evolved from this background. An analysis of past performance will shed light on why the goals of the previous "Programme of Action" have not been achieved and will suggest new strategies.

Getting ready

It has proved difficult to relate the global targets agreed in the "Programme of Action" to the realities of individual countries.

The UNCTAD Secretariat tackled this problem at the preparatory stage by generating national programmes of action under the complete control of the LDCs. Local UNDP offices, the EU's Delegations, the representations of the World Bank and other UN agencies helped to establish National Preparatory Committees, composed of representatives of the main public and private sector bodies, academics and NGOs.

At the regional level, three expert-level meetings were organised last year. The first took place in Addis-Ababa in March for the English-speaking African LDCs. The second was held in Kathmandu in April for the Asian and Pacific LDCs. The third was held in Niamey, also in April, for the French-speaking African LDCs and Haiti.

Mandate for the Third United Nations Conference on Least Developed Countries

- to assess the results of the 1990s Programme of Action on the ground in the LDCs
- to review the implementation of international support measures, particularly in the areas of official development assistance, debt, investment and trade
- to consider the formulation and adoption of appropriate national and international policies and measures for the sustainable development of LDCs and their progressive integration into the world economy

Seven commitments for LDC III

- fostering a people-centred development
- ensuring good and accountable governance
- building human and institutional capacities
- building productive capacities
- making globalisation work for LDCs (trade, tourism, regional integration)
- reducing vulnerability and conserving the environment
- financing development and eradicating poverty in LDCs (domestic resource mobilisation, external debt, private international investment).

Sectoral preparatory seminars have been sponsored by certain UN members; investment (Norway), trade (UK), infrastructures (Germany), gender (South Africa), tourism (Spain), and energy (Austria).

The first PrepCom was organised in New York in July 2000 and a second in February 2001. The third took place in April this year, again in New York.

The July 2000 PrepCom agreed on the basic structure of the Conference. It also agreed a provisional agenda, the organisation of work and the provisional rules of procedure. The Belgian ambassador, Jacques Seavee, was elected chairman of the Preparatory Committee. During the preparatory process, the first draft outline of the "Programme of Action" to be approved by the Brussels Conference was discussed. It contains seven major commitments towards improving conditions in the LDCs.

Meanwhile, and in addition to the PoA, the UNCTAD Secretariat proposed to the Prepcom that the international community should have the opportunity to come up with a number of individual or collective concrete projects to help LDCs achieve international development goals. The EU introduced initiatives in trade access (Everything but Arms Initiative), debt, and AIDS.

Comparing notes.

Rubens Ricupero, UNCTAD Secretary-General, and Francisco Granell, EC chief advisor



A high level panel was set up by UNCTAD to review progress in the implementation of the "Programme of Action" for the LDCs during the 1990s at national level. A report was produced after meetings last year.

It is clear that all these national, regional and global activities have not been taking place in a vacuum. A broad canvas of targets for the next 10, 15 and 20 years was agreed by a range of UN conferences in the 1990's and the Millennium Summit in September 2000. Many activities are already going on in partnership with international donors. In addition the NGO forum will produce conclusions that will serve to increase public awareness of the problems of LDCs.

The European Union as host

In September 1998 the European Union offered to host the conference. The United Nations General Assembly welcomed and accepted the offer.

The conference will take place in the European Parliament building in Brussels.

The EC Delegations in Least Developed Countries have contributed, together with the UNDP and other agencies and donors, to the preparatory process. On a national level there have been Preparatory Committees in each LDC. The UNCTAD Secretariat organised missions to Brussels to discuss planning with the European Commission. The European Parliament and the Belgian Ministry for Foreign Affairs have also been involved.

As the European Commission's President, Romano Prodi, said: "The European Commission will cooperate to its utmost to make the 2001 Brussels conference a significant and positive event for the future of the Least Developed Countries."

** EC Chief advisor, co-ordinator of UN-LDC III*

The Least Developed Countries in the Cotonou Agreement

Forty of the forty-nine Least Developed Countries are members of the ACP group. The Cotonou Agreement therefore represents an important component of EC policy towards LDCs. One particularity of the Cotonou Agreement is to combine special treatment for LDCs and the regional approach.

Differentiation is one of the fundamental principles of the new Partnership Agreement: "Cooperation arrangements and priorities shall vary according to a partner's level of development, its needs, its performance and its long-term development strategy. Particular emphasis shall be placed on the regional dimension. Special treatment shall be given to the least-developed countries. The vulnerability of landlocked and island countries shall be taken into account." (Cotonou Agreement, General Provisions, Article 2).

This principal gives rise to a series of other specific provisions in the various areas of the partnership. Part V of the Agreement covers the general provisions, in particular Article 86, which enumerates the provisions which specifically concern the LDCs.

In the area of economic and trade cooperation, the Parties reaffirm their intention of maintaining special treatment for ACP LDCs (Article 35§3). The Community is committed to ensuring duty free access for essentially all products from all LDCs by 2005 (Article 37§9). Nevertheless, believing that more rapid and radical action was necessary, the Community has adopted the necessary measures to liberalise all imports from LDCs (Everything but Arms Initiative).

In the allocation of financial resources, in accordance with Article 56§2, the Commission has consistently applied a poverty-focused approach in the framework of the 9th EDF programming exercise. The Cotonou Agreement foresees that country needs, policy performance and vulnerability, in particular the LDC status, are to be taken into account. As a result, for the Least Developed Countries, country allocations from the 9th EDF represent nearly €7 billion over the next five years, a substantial increase in comparison with previous programming rounds. Together with the other low-income countries, their share of the total is close to 90%. In the programming of funds aimed at supporting regional integration and cooperation, the vulnerability of LDCs will also be taken into account.

Françoise Moreau, DG Development

EU seeking “common solutions” to poverty challenge

From 14 to 20 May 2001, the EU will host the Third United Nations Conference on Least Developed Countries (LDCs), on the premises of the European Parliament. This will be the first time that the EU hosts a major UN conference.

Hugo-Maria Schally*

The Conference will bring together all UN member states, as well as UN agencies and representatives of civil society, with the objective of agreeing on actions necessary for the sustainable development of the world's poorest nations and for their progressive integration into the world economy. The EU believes the Conference should be seen as a forum defining “common solutions” requiring action by all partners and taking into account the specific vulnerabilities and difficulties the LDCs encounter.

The European Union's offer to host this Conference sends a strong political signal about the significance it attaches to the problems of LDCs and confirms its strong commitment to LDC poverty reduction. As one of the world's largest aid donors, the EU plays a vital role in the efforts to eradicate poverty and is strongly committed to the

successful outcome of this conference. To this end, the EU has cooperated closely with UNCTAD (the UN Conference on Trade and Development) in the preparatory process at national, regional and international level.

On 22 December 2000 the EU formally adopted a position paper on the issues to be discussed at the Conference, the “Guidelines for the participation by the EU in the Third LDC Conference.” The document is based on the idea that addressing LDC problems requires a

holistic approach that takes into account not only the purely economic aspects but also the social and environmental dimension.

These guidelines are the framework of the EU position in the negotiations for a global Programme of Action that the Conference will adopt.

The international community has become increasingly aware that the major UN Conferences of the past decade have produced an impressive development agenda, but that implementation of that agenda has fallen short of expectations. That is why the EU is focusing on concrete and operational outcomes that will make a real difference to peoples' lives in LDCs (the so-called deliverables).

It is in that spirit – to highlight some initiatives that can be considered as concrete “deliverables” of the EC for the Conference – that

the European Commission adopted on 11 April a Communication which presents some recent and new initiatives that embody the EC's commitment to the LDCs and addresses some of the areas of major concerns to LDCs: market access, debt, the fight against communicable diseases, an increased poverty focus.



“Everything But Arms” initiative

With the so-called “Everything but arms” initiative, the EU has decided to liberalise imports of all products from LDCs except arms. This initiative also entails duty and quota free access for all agricultural products (including the three most sensitive products – rice, sugar and bananas, which are to be progressively liberalised over the next four to eight years).

The EC has always recognised the important role of trade in fostering development. As the main trading partner for most LDCs, the EC will certainly use the opportunity afforded by the Conference to ask other countries (both developed and more advanced developing countries) to adopt similar measures. However, the European Commission has underlined the fact that improved market access is not sufficient to bring about the beneficial effects of trade and trade reform on development. Integration of LDCs into the global economy can only be achieved through a holistic approach that includes trade and macro-economic policy, private sector development, finance, infrastructure, education and other supply-side measures.

Debt

The Community is already by far the biggest contributor to the enhanced HIPC (Highly Indebted Poor Countries) initiative. With the new initiative it has taken on the occasion of the Conference, it has decided to eliminate all debt owed by ACP least developed highly indebted poor countries on Special Loans. This means that each ACP HIPC LDC reaching or having reached the decision point is invited to immediately suspend all payments on these loans.

Vulnerability to communicable diseases

LDCs are critically exposed to the impact of the major communicable diseases associated with poverty. Together, HIV/AIDS, malaria and tuberculosis cause the deaths of more than five million people annually and lead to untold suffering.

Recognising the devastating impact of this global emergency on health, the EC has adopted a new policy framework and an action programme for accelerated action targeted against these diseases. The policy framework aims at improving the Commission’s response to the increasing spread and growing impact of HIV/AIDS, malaria and tuberculosis.

The Programme will support efforts to increase the impact of existing interventions, to increase the affordability and access of key pharmaceuticals and to stimulate research and development of new generations of global public goods such as vaccines, drugs and diagnostics against the three diseases. An important step towards increasing the affordability of pharmaceuticals would be the creation of a framework of cooperation with the private sector.

Focus on Poverty

The Council and the Commission reaffirmed in the November 2000 Joint Statement on the EC’s Development Policy and in the Cotonou Agreement their commitment to make measurable progress towards the achievement of poverty elimination goals and decided that the Community will increase its focus on poverty reduction in all its development activities. Therefore priority attention is to be given in

the allocation of resources to LDCs and other Low Income Countries (LICs) and to a careful design of actions, based on an analysis of poverty in each specific situation, to ensure that those actions have a real impact on poverty. Policy performance will be taken into account, including the degree of commitment of the partner country to poverty reduction strategies, governance and absorptive capacities.

For the 9th EDF overall allocation, nearly 90% of EDF resources (€13.5 billion) are earmarked for the poorest countries (LDCs and other LICs). The underlying aim of the resource allocation has been on the one hand to further strengthen the poverty focus of Community aid and on the other to take into account the key criteria of needs and performance stipulated in the Cotonou Agreement.

A common effort is needed

In addressing these four major areas of concern by concrete and specific initiatives, the EC hopes to create a positive momentum in view of the Conference and to be in a position to ask other development partners to follow suit in taking similar initiatives in favour of LDCs. A successful outcome of the Conference will finally depend on the acceptance by the international community of the fact that the complexity of the problems faced by the LDCs requires a common effort by all partners and by both developed and developing countries.

**DG Development.
Head of Unit
“Development Policy, Coherence and Donor relations”*

RUBENS RICUPERO, SECRETARY GENERAL OF UNCTAD

A chance to translate general commitments into specific measures

This conference is an opportunity to apply all the commitments accepted by the heads of state at the United Nations millennium summit last September. Over 147 heads of state and government solemnly committed themselves to placing the fight against poverty at the forefront of international action. Extreme poverty is very much in evidence in the least developed countries. So this is an opportunity to translate general commitments into specific measures. For example, improving access to markets. There is, of course, the "Everything but Arms" initiative of the European Commission, but we also look forward to other similar measures. More than 26 countries have already assured the WTO of their support.

We also expect specific measures in the areas of development funding, debt, technical cooperation and, in particular, investment. We have reached in advance a degree of understanding on investment, as it is not enough to give preferential treatment to the least developed countries if they do not have the productive capacity to benefit from it.



UNCTAD

The third United Nations conference on the least developed countries will be crucial. It is an occasion to draw the attention of the international community to the specific difficulties facing the 49 countries in this category.

But its organisers also hope that the practical measures proposed there for significantly reducing poverty will not remain in the realm of good intentions. Rubens Ricupero, UNCTAD Secretary-General, explains the conference's aims and what the least developed countries can expect from it in concrete terms...

By Kenneth Karl

The conference will therefore be a practical one. It will give rise to specific action in a great many areas, such as health, education, good governance, human rights, improvements in the labour market and so on.

Dealing with the specific problems of the least developed countries first of all needs an accurate diagnosis of their situation. Yet the analyses of UNCTAD would seem to indicate that diagnoses of this type have not always been very well made. Why is this?

We think there is a danger even now that past errors will be repeated in the new diagnoses by major organisations. For example, on the question of the alleviation of debt we consider that all the current forecasts of international organisations are unrealistic. This is because they are based on a view of economic growth and exports that is seen to be over-optimistic when compared with the actual performance of the countries in question. We are afraid that hopes will once again be dashed.

This also applies to official development aid, which has been reduced because it was

thought that it could be replaced by direct investment. This reasoning is based on two fundamental errors. The first is to think that investment will flow into the least developed countries, when they receive less than 1% of the world total. Secondly, we don't believe that private investment, which is guided by the profit motive, will ever be interested in financing sectors that are dependent on public funding, such as primary education or environmental protection.

These are some examples of misjudgements. There are others – for instance about trade. The poor results of the least developed countries in this area are ascribed to their failure to make the structural reforms asked of them. In actual fact the IMF's own data show that the least developed countries have gone further than other developing countries in reforming their trade structures. They have reduced their tariffs and abolished quotas. The real reasons therefore lie elsewhere. The fact is that the least developed countries have not received the investment they need to improve their manufacturing sectors.

The problem of funding development in the least developed countries is made more acute by the decrease in the flow of official aid and the absence of private capital. How can the rich countries be made to understand the gravity of this problem?

The main problem with private investment is that it is concentrated in a small number of countries. Today about ten developing countries on their own receive most of the investment, notably those with rapid growth and large markets. China, Brazil and Mexico alone receive 50% of all the investment flowing into developing countries. What can be done for the least developed countries and for the African countries in particular? We must create the conditions that will attract investment: first of all political and legal stability, a crackdown on corruption and so on - also economic stability and control of inflation, deficits and so forth. Then we must draw investors' attention to the opportunities that exist.

It is a mistake to think that improving the way aid is used depends entirely on the countries themselves. It is very often forgotten that there is sometimes a lack of co-ordination between the providers of capital

Contrary to what you might think, many African investments yield more than those on other continents. There are some very good examples of successful African investments and we are doing all we can to make them better known. We are publishing investment guides for the least

developed countries: so far for Ethiopia, Mali, Mozambique, Bangladesh and some others. And we are trying to encourage governments and the private sector to work together to improve the conditions for attracting investors. Another aspect of our work, with the ACP countries in particular, is helping to set up sub-regional and regional partnership agreements, since these countries are handicapped by the size of their markets. The creation of larger economic groupings as specified in the Cotonou Agreement will be one way of responding to this problem.

There is certainly a need for investment to promote development in the least developed countries, but there won't be any investment until a minimum level of development has been reached. Don't these two factors interact in a way that complicates the situation even further?

You are right, since if there is no growth in a country investors won't show any interest in it. So we must create the prior conditions for investment. We actually work directly with companies. We are trying, for example, to establish contacts and specific programmes with various big multinational companies that might sponsor a country in order to attract other companies. In Brussels we are going to adopt several initiatives of this type, with meetings between the directors of large multinationals, international organisations and the heads of state who will be there.

The burden of debt weighing down on the least developed countries, which currently stands at over US\$150 billion, is making it more difficult for them to finance development from their own resources. Do you think that there is a genuine political will within the international community to reduce their debt?

I think there is, since you cannot deny that definite progress has been made over the past four years. But this

progress is still not enough – not because of a lack of will, but because of a lack of funding, whether you're talking about writing off IMF and World Bank debt or about bilateral debt. Further steps must be taken to reduce this debt and especially to make the terms less onerous. The least developed countries are sometimes required to undergo periods of economic adjustment that are too long, sometimes lasting for up to six years. Simplifying these conditions ought to make it possible to reduce their debt significantly.

But these measures must be taken in such a way that the resources released are used for social and economic purposes, not to finance armies and wars. Pressure is now being exerted to deal with this problem. After Brussels there will be a meeting of the G8 countries in Italy, where this question will be discussed further. There is also the NGO campaign, pressing for more favourable terms. The Brussels conference will be an opportunity to draw attention to shortcomings and to call for immediate decisions.

Isn't there a risk that these very poor countries will be caught in a downward spiral of permanent debt as a result of having borrowed to finance legitimate projects?

That's exactly what we're very much afraid of. We can unfortunately see a perverse link between aid and debt. The less indebted countries receive less aid and many donor countries are now granting credit to the least developed countries simply to enable them to pay their debts. This perpetuates the situation you have described. So we must break this vicious circle and review terms and conditions in their entirety.

Now that trade has become an essential vehicle for growth, as a result of globalisation, what specific plans are there to improve access by the least developed countries to world markets and to strengthen their competitiveness from the outset?

There are two kinds of problem here: access to markets and supply capability. The problems of access to markets should be dealt with in the way that is being attempted by the European Commission, involving the elimination of all existing restrictions – whether tariffs, quotas or others like rules relating to origin. Our studies show that even if only tariffs greater than 15% are eliminated it is possible to make an immediate gain of US\$2.5 billion per year.

But we must recognise that these impoverished countries are too highly specialized in a small number of raw materials such as coffee, cocoa and palm oil and that this is

what causes the problems of supply capability. So they need to diversify their exports and move towards the manufacture of industrial products. This depends on domestic and foreign investment – and also on a range of measures intended to reinforce the capacity of local enterprises and to create a network of small and medium-sized enterprises to act as subcontractors for large foreign investors. They also need to improve their management capabilities and in particular their integration of technology. This will all take time of course, but it is the path that was taken by the Asian countries.

The fragile economic position of the least developed countries requires a massive response – but above all a co-ordinated response – from the international community. Do you consider that the degree of co-ordination between the different players is now adequate?

No! This is precisely one of the diagnostic errors that you asked me about to begin with. It is a mistake to think that improving the way aid is used depends entirely on the countries themselves. It is very often forgotten that there is sometimes a lack of co-ordination between the providers of capital. One frequently hears the complaint, for example, that the least developed countries do not have the administrative personnel necessary to make proper use of aid, but at the same time they are made to impose budgetary cuts that aggravate this situation. We want this conference to come up with ways of improving the co-ordination of both bilateral and multilateral aid.

Now that the international community is focusing on the least developed countries, isn't there a risk of forgetting about the developing countries, which also have large-scale and often similar socio-economic problems?

Many developing nations, such as the ACP countries, are afraid that these aid programmes to the least developed will be at their expense. Actually these measures should be taken for the benefit of all developing countries. All these categorisations are somewhat arbitrary. The differences are differences of level and there are many borderline cases. All that's been said about development funding, access to the market, investment etc. applies to all developing countries. If, for example, the liberalisation of markets is going to create problems for other countries that are still weak and vulnerable, we must find a way of including them – and that is exactly what our Secretariat is working on at present.

The WTO is working for the world's poor

We at the World Trade Organisation have a special duty towards the world's poorest countries. Thirty of the 49 least developed countries (LDCs) are WTO members. Another six are in the process of joining or are interested in becoming members. As we approach the third United Nations' conference on LDCs in Brussels and the WTO's fourth ministerial conference in Qatar, we must encourage the full integration of LDCs into the multilateral trading system and ensure that it works to promote their development.

By Mike Moore

Many LDCs face huge problems. Many are wracked by social unrest or civil war. Their economies are typically not growing fast enough to keep pace with their increasing population. Poverty, hunger and disease are the common lot of most people in the LDCs. AIDS is culling a generation of working-age people in many African countries, while older, curable diseases like malaria and tuberculosis still kill far too many. This is a moral outrage to us all. The only long-term solution is development. Faster economic growth can provide the resources for health, education and other basic LDC needs. My prescription is not original. But it is time at the Brussels conference finally to replace empty rhetoric with a solid agenda to promote development in LDCs. International trade is a crucial component of this, and so clearly the WTO has an important role to play. Since 1996, and particularly since the high-level meeting of 1997, my predecessor as WTO director-general and I have been pursuing an expanding programme of action for

the LDCs. The four principal elements of this programme are: increasing market access; building export capacity; mainstreaming trade into LDCs' development strategies; and encouraging their fuller integration into the world economy and the multilateral trading system.

Access to markets for products that LDCs can export is essential. Currently, LDCs mostly export agricultural and mineral raw materials, textiles and clothing. They are now where other developing countries were 40 years ago. Barriers to many of these products – in particular, agricultural produce, textiles and clothing – are daunting. High import duties in many markets are often compounded by persistent quotas and by food or industrial standards that are difficult for LDCs to meet. We have worked hard. I have raised this matter with leaders and Ministers. Some progress is being made in reducing tariffs. The European Union's "Everything But Arms" initiative, and other market-access improvements made or proposed by developed and some devel-

oping countries, are a very positive contribution. Norway and New Zealand have given complete access and the United States has increased access in their Africa bill. But more must be done. Frankly, I believe this can best be done in the context of a new round and wider negotiations that allow tradeoffs.

As rich-country governments and consumers demand more sophisticated standards for protecting human, animal and plant life and health, such standards and other non-tariff regulations are becoming a bigger barrier to LDC exports. Most LDCs do not have the sophisticated laboratories needed to ensure that goods meet rich-country standards. They do not have scientists to staff them or materials to equip them. They do not have the infrastructure for shipping goods efficiently, on time, and in accordance with stringent quality controls. They may not even have access to the information that their producers and traders need to develop goods and services fit to be sold to more developed markets. Creating this export capacity is the second big trade challenge.



Nero/Spa

Clearly, this is beyond the scope of the WTO alone. That is why we are working with five other agencies – the World Bank, the United Nations Development Programme (UNDP), the International Monetary Fund (IMF), the United Nations Conference on Trade and Development (UNCTAD) and the UNCTAD/WTO International Trade Centre—to revitalize the Integrated Framework (IF) for trade-related technical assistance to least developed countries as a model for trade-related technical cooperation.

Our third common challenge is to place trade at the centre of countries' development strategies. I welcome the lead the World Bank has taken in "mainstreaming" by working with LDCs to integrate trade concerns into their poverty-reduction strategy papers. Agencies, donors, and LDC governments need to identify and deal with all the bottlenecks to trade-related development in an integrated way, combining vigorous pursuit of domestic reforms in the LDCs themselves with a prioritized and sequenced programme of tech-

nical assistance within a coherent policy framework.

Implementation of the Integrated Framework is now beginning, under a pilot scheme. I am heartened that many Development Assistance Committee members are putting their money where their mouth is. By pledging their support to the IF trust fund, they are transforming the IF from an unfunded mandate into one with real resources attached.

Our final challenge is to encourage LDCs to become fully integrated into the international trading system. LDCs must get help in implementing WTO agreements and participating in new negotiations. The WTO provides technical assistance, nationally and regionally, together with the ACPs, the Organisation of African Unity, the Pacific Forum and other agencies. We have set up WTO reference centres in all LDCs and keep in regular contact with their governments. We are trying to keep governments in LDCs and other small economies fully informed about our work in the run-up to the Qatar ministerial through regular newsletters and briefings,

and through our annual Geneva Week for WTO members and acceding countries that do not have missions in Geneva. This summer we will introduce a trainee scheme that will allow young officials from LDCs and other developing country governments to be posted to Geneva to beef up their national missions to the WTO.

LDCs also need help in dealing with the growing complexity of the trading system. Most ACP LDCs face an array of different negotiations over the coming years, each with a different focus. Many are negotiating regional trade agreements with their neighbours. ACP members also face a decade or more of negotiations with the EU under the Cotonou Agreement. But the WTO is the only negotiating forum that can provide LDCs with new trading opportunities worldwide. It is the only place where LDCs and other developing countries can identify and advance their trading interests with all rich countries. It is also the only place where trade disputes between rich and poor can be fairly and effectively resolved.

These are reasons why LDCs would benefit from the launch of a new round of negotiations in Qatar in November. It is the shared responsibility of the international community to make this a reality. And the LDC conference is an opportunity to articulate LDC interests in a new round.

The Brussels conference must be a real success, not an empty shell. LDCs need to expand their trade, and they need technical assistance and financial help to do it. The world's poorest countries cannot afford to wait any longer.

The writer is Director-General of the World Trade Organisation.

Aid: avoiding the risk of further LDC dependency

The Third UN Conference on Least Developed Countries scheduled in Brussels from 14 to 20 May is yet another attempt to address the special needs and challenges faced by the poorest countries in the world. The ultimate objective is to increase the probability of these countries moving out of the LDC category, in the shortest time possible.

by Dr Pa'o Luteru*

There are three main issues on the table for debate. First is an assessment of results at the country level during the 1990s based on the Programme of Action that emerged out of the second conference. By many accounts, the achievements to date have been disappointing. Second, is the issue relating to international support instruments including overseas development aid, debt relief, investment and trade. The third issue is the formulation, and adoption of appropriate policies and measures aimed at sustained LDC development and their progressive and smooth integration into the world economy.

Nothing will change if donor countries don't face up to the reality of aid. From lessons of the past half century of aid-giving, it is difficult to be optimistic and say that the role of Overseas Development Assistance (ODA) will be any different in the development agenda for LDCs. Until donor countries are prepared to face up to the reality of aid giving, nothing will change. The central and fundamental issue here is the gap between the motivations for aid-giving and the aspirations and expectations of the recipients. Of all the obstacles encountered by LDCs in dealing with aid-giving, one must be honest and say that past fail-

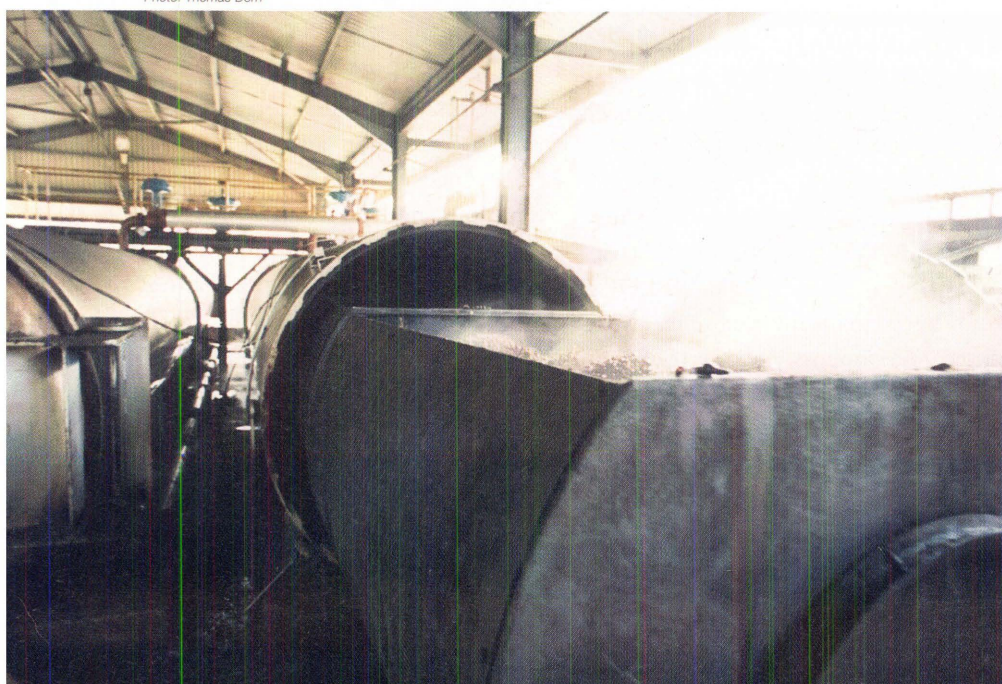
ures had to do with people involved in the management and delivering of aid, both in recipient countries and within aid organizations. The new focus and euphoria about the benefits to be reaped from trade, as promoted by developed countries, is yet again another mechanism that could lead the LDCs into further dependency. How can one talk about free trade areas when most of these countries have little or nothing to trade? Within the ACP Group, the Cotonou Agreement gives due recognition to the special place of LDCs in ACP-EU cooperation. Given that about 40 out of a total of 49 LDCs attending the Conference are ACP Member States, the ACP Group expects the Conference to focus primarily on the following issues:

- Governance, peace and social security;
- Financing growth and development in LDCs;
- Overcoming marginalisation of LDCs and enhancing their productive capacities via trade and investment – this should focus firstly on development, expansion and modernisation of the economic base and secondly on poverty reduction and social income strategies embodying human resources development, including health, education, training and skills development; and
- Enhancing the performance of project and programme implementation by linking the Global Plan of Action and the Country-Level Programmes of Action.

However, the ACP Group of States is also fully aware and cautious that the

Enhancing the productive capacities of the LDCs through trade and investment is one of the ways of overcoming marginalisation

Photo: Thomas Dorn



main focus on the 40 ACP LDCs by the Conference and the international community should not be at the expense or neglect of the non-LDC ACP States. In an attempt to maintain and enhance unity, solidarity and equity among ACP States, it is prudent that there is an optimal balance regarding treatment and distribution of benefits to LDCs and non-LDC States.

On the issue of debt relief, the ACP Group fully supports international efforts being made in this area. Indeed, the ACP Group through a joint decision of the Council of Ministers agreed to set aside €1 billion as its contribution towards the highly indebted poor countries (HIPC) initiative. The ACP-EU Council in June 2000 further agreed that the scope of this initiative should be enlarged to enable more ACP countries to benefit from it and that the EDF contribution should be rapidly transferred. In this regard, the decision by the United States to contribute to the HIPC Initiative with an initial instalment of US\$360 million is welcomed and would assist LDCs in alleviating their indebtedness. The Council further urged all concerned with the implementation of the HIPC Initiative to ensure that this is done as rapidly as possible in collaboration with the World Bank.

We should not jeopardise non-LDCs

Although political and civil strife are not confined to LDCs, the incidence of political instability is quite heavy in LDCs. For instance, out of 33 African LDCs, 15 experienced civil unrest during the 1990s and those which were not directly involved militarily had to contend with an influx of refugees, serious fiscal, economic, political as well as social and environmental repercussions. In this situation, good governance and the maintenance of peace and security are fundamental and critical areas of concern to be addressed. The ACP



The conference should also focus on poverty reduction and developing human resources

Group is firmly of the view that if efforts to eradicate poverty are to prove successful, then there must necessarily be peace, political stability and security at the global level.

It is also important to address and resolve the issues of essential and fundamental elements of the Cotonou Agreement so that there is meaningful and real dialogue between parties to bring about peace building policies, conflict prevention, resolution and management in LDCs. To reinforce these essential elements, there is also a need to observe good governance as a fundamental element, embodying trans-

parent and accountable management of public and private resources.

The observance of these elements calls for a considerable level of investment in many sectors. A critical mass of investible resources is, therefore, a prerequisite in each of the identified areas such as poverty reduction; income redistribution; human resources and development including health, education, science, technology, training and skills development; housing and water supply, electrification; development, expansion and modernisation of the economic base; trade competitiveness; and productive capacities.

The numerical strength of the ACP LDCs implies that the main focus of the conference and the international community should be on the terms of investment flows, debt relief, poverty reduction, institutional development and capacity building, diversification of the economy, trade competitiveness, productivity capacities, peace building, conflict prevention and resolution. The ACP Group is, however, mindful that placing special emphasis on ACP LDCs at the Conference level should not jeopardize non-LDC ACP States that are also deserving of the requisite financial and technical assistance available under the various initiatives.

“Out of 33 African LDCs, 15 experienced civil unrest during the 1990s and those which were not directly involved militarily had to contend with an influx of refugees, serious fiscal, economic, political, social and environmental repercussions”

** Assistant Secretary-General of the ACP Group
Dept. of Political and Social Development*

Per capita GDP and population: Levels and growth

	Per capita GDP in 1995 dollars		Annual average growth rates of per capita real GDP (%)		Population Level (millions)	Annual average growth rates (%)	
	1980	1998	1980-1990	1990-1998	1998	1980-1990	1990-1998
Afghanistan	..	..	..	..	21,4	-1,2	5,0
Angola	698	523	0,6	-3,2	12,1	2,7	3,5
Bangladesh	216	350	2,1	3,1	124,8	2,2	1,6
Benin	362	405	-0,5	1,8	5,8	3,0	2,7
Bhutan	..	623	4,8	4,2	0,6	2,6	2,0
Burkina Faso	209	249	0,8	0,7	11,3	2,8	2,8
Burundi	176	149	1,5	-5,3	6,5	2,8	2,1
Cambodia	..	299	2c	2,3	10,7	3,1	2,7
Cape Verde	..	1380	4,1d	3,0	0,4	1,7	2,3
Central African Republic	417	340	-1,0	-0,7	3,5	2,4	2,1
Chad	176	231	3,5	-0,8	7,3	2,5	3,0
Comoros	431	325	-0,3	-3,3	0,7	3,1	2,8
Dem. Rep. of the Congo	313	124	-1,6	-8,3	49,1	3,3	3,5
Djibouti	..	757	..	-4,6e	0,6	6,4	2,3
Equatorial Guinea	..	1050	-0,8a	15,3	0,4	5,1	2,6
Eritrea	..	190	..	2,0f	3,6	1,9	2,7
Ethiopia	..	113	-1,7d	2,0	59,7	2,8	2,7
Gambia	377	349	-0,1	-1,2	1,2	3,7	3,7
Guinea	..	573	1,5g	0,9	7,3	2,5	3,2
Guinea-Bissau	168	173	2,0	-1,1	1,2	2,0	2,2
Haiti	596	356	-2,6	-3,4	8,0	2,4	1,7
Kiribati	599	639	-1,0	1,6	0,1	1,7	1,4
Lao PDR	..	406	7,2h	3,7	5,2	2,7	2,8
Lesotho	311	485	1,8	4,8	2,1	2,5	2,3
Liberia	..	..	..	..	2,7	3,6	-0,3
Madagascar	344	231	-1,6	-2,0	15,1	2,7	3,3
Malawi	169	169	-1,8	2,7	10,4	4,4	1,1
Maldives	..	1209	6,4a	3,6	0,3	3,2	2,9
Mali	289	264	-1,7	1,3	10,7	2,6	2,4
Mauritania	558	478	-2,7	1,3	2,5	2,7	2,8
Mozambique	166	169	-1,5	1,8	18,9	1,5	3,8
Myanmar	..	..	..	..	44,5	1,8	1,2
Nepal	148	218	1,9	2,4	22,9	2,6	2,5
Niger	328	216	-3,3	-1,2	10,1	3,3	3,4
Rwanda	321	279	-1,2	-1,7	6,6	3,4	-1,5
Samoa	973	967	0,7	0,9	0,2	0,3	1,1
Sao Tome and Principe	..	339	-0,5e	-0,6	0,1	2,4	2,2
Sierra Leone	320	160	-1,8	-6,1	4,6	2,2	1,6
Solomon Islands	584	751	2,9	0,3	0,4	3,6	3,3
Somalia	..	..	-0,5	..	9,2	2,9	2,0
Sudan	229	296	-2,1	5,8	28,3	2,6	2,0
Togo	454	337	-1,3	-0,5	4,4	3,0	2,9
Tuvalu	..	..	..	..	..	1,3	2,8
Uganda	..	338	0,7i	4,3	20,6	2,2	2,8
United Rep. of Tanzania	..	173	1,4h	0,0	32,1	3,2	3,0
Vanuatu	1400	1415	0,6	-0,5	0,2	2,5	2,5
Yemen	..	250	..	-1,0	16,9	3,4	4,9
Zambia	551	427	-1,3	-1,4	8,8	2,3	2,5
All LDCs	272	287	-0,1	0,9	613,5	2,5	2,5
All developing countries	892	1260	2,2	3,1	4 696,8	2,1	1,7
Developed market economy countries	19452	27402	2,4	1,4	885,3	0,7	0,6
Countries in Eastern Europe	3196	2396	1,1k	-4,0	318,9	0,6	-0,1

Source: UNCTAD secretariat calculations, based on data from the Statistics Division of the United Nations, the World Bank, World Development Indicators 2000, and other international and national sources.

Notes: Data for Ethiopia prior to 1992 include Eritrea. Data for population for Bhutan is from national source.

a 1987-1990. b 1981-1990. c 1991-1998. d 1985-1990. e 1992-1998. f 1986-1990. g 1988-1990. h 1982-1990. i data for Albania, Bulgaria Hungary Poland and Romania.

Source: The Least Developed Countries 2000 Report (UNCTAD)

LDCs or WICs?

The weakly industrialised countries: globalisation by default

Yves Ekoué Amaïzo*

The “least developed countries” are defined by the United Nations primarily on the basis of four composite socio-economic criteria, including gross domestic product (GDP) of less than \$100 per capita per year (1968 values, or about \$765 at today’s values) and a composite index based on the share of manufacturing in GDP. The 48 least developed countries, 33 of which are in sub-Saharan Africa, are invariably found in the various classifications of the international institutions. Whether reference is made to the 77 ACP states, the 63 low-income countries, the 41 most heavily indebted countries, 30 of which are LDCs (as at the end of 2000), or the numerous countries of low influence, assessed on the basis of variable-geometry geopolitical criteria, the LDCs have always been defined by reference to the industrialised countries.

Hence, analyses during the closing decades of the 20th century were essentially based on shortcomings, constraints and problems with imitating the performance of the industrialised countries. Whether the focus is on infrastructure, institutional, legal and financial environment, style of government or capacity of the local populations to process available resources, it is apparent that the situation of the LDCs is nothing less than the result of uncoordinated activities which may sometimes be a reaction to a certain external interference in the style of government – an interference which is increasingly reflected internally.

LDCs: asymmetric production capacity

With the advent of modern diplomacy, disconnection has become an obsolete way of organising manufacturing activity, and integration – often forced – happens by default. To avoid lagging behind, the LDCs have often adopted rules and principles of governance considered to have worked elsewhere, in the hope of achieving similar results locally. But, confronted by failure, sometimes repeated failure, the LDCs – countries rich in raw materials – have become, despite themselves, the scapegoats of globalisation. The entire world economy is organised around freedom of access to those raw materials, materials that are essential to sustain much of Western industry. Networks, influence and conflicts are sometimes resorted to, to ensure supply. Competition has to be brought into play by relocating to wherever conditions are most favourable, thus gaining direct access to raw materials, essential supplies for the production capacities of the “industrialised” countries. Investment codes, macroeconomic adjustment policies and the GATT/WTO international trade legislation are designed, among other things, to coordinate activities on a worldwide scale. However, the LDCs can derive advantages from this system only in proportion to their level of influence.

In a global system where the partners are asymmetrical, the law of the market is no longer equivalent to the market economy. As an example, an attitude of *laissez-faire* in the European agricultural

policy results in protectionism because of farm subsidies. Influential countries, better organised collectively, can afford this. The tax revenue from Europe’s industrial success is redirected to the sectors most vulnerable to global competition. The LDCs, a group created by default by the international community and lacking any genuine collective organisation of their own, are unable to organise their disconnection, or their protectionism. The low income levels in the LDCs and the lack of adequate technical expertise modifies their behaviour in the face of competition: they become, *de facto*, bodies that structure the international division of trade in goods and services, production and labour.

Those countries which, at a very early stage, emphasised education and the infrastructures of wellbeing, or benefited from their mineral wealth, were not eligible in 1971 to appear on the UN’s list of LDCs. Decisions by irresponsible authorities and governments, and import substitution strategies resulting in unplanned debts with no real prospect of meeting the credit repayments, have to be taken into account in any analysis. The readiness with which the industrialised countries granted these credits also smacks of a strategy of dependence lubricated by regularly increased conditions, allowing indirect control over the LDCs’ sovereignty of decision. Equipment expenditures by LDC governments are increasingly financed by external aid, accounting for over 32% of all LDC public spending, yet producing no perceptible impact on the ground.

The LDCs have become influential countries without influence because of

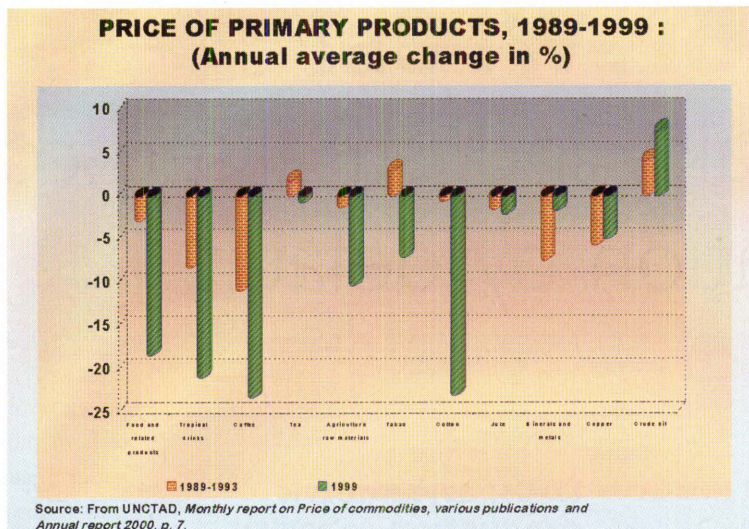
the obstacles to formulating and implementing a genuine endogenous industrial policy.

Incapable of attracting or promoting resources that do not generate indebtedness, having favoured the governments of easy indebtedness, the LDCs find themselves deprived of access to the resources of the international finance market. Only the international public institutions can now open the

door to concessionary credits from multilateral and bilateral sources. But, here again, conditionalities, discrete or otherwise, have rapidly transformed the room for manoeuvre in governance of these countries into a system where the LDCs propose and the donors provide. The degree of sovereignty of the nation states has become inversely proportional to the degree of interference, thus sounding the "decline of the nation state." Reduced to selling without increasing their industrial production capacity, which amounts to barely 0.4% of the world's manufacturing added value in 1977 according to UNIDO, the LDCs are marginalised, absent from some sectors of industry. The roads that lead to industrial regression also lead directly to structural poverty.

Industry is no longer the primary source of job creation

Caught up in a process of globalisation by default, all the LDCs, whatever their classification, which would benefit from harmonisation and standardisation, are weakly industrialised countries and appear on the list of the most heavily indebted countries. They are countries where the terms of trade degenerate regularly, whatever type of raw material is involved, except perhaps oil (see chart). More seriously, they are also the countries where the terms of production are least favourable. Globally, LDC produc-



tion comes from low value-added industries. Low value-added industries are more advanced in the "industrialised" countries than in the weakly industrialised ones. Industries established in the LDCs often have lower productivity levels because of the effect of the transfer of depreciated equipment from the centre to the periphery to benefit from the opportunity of low labour costs and savings in the transport of raw materials. Thus, the socialisation of industrial policy in the LDCs, often justifying the purchase of a turnkey plant to ensure the creation of jobs, has sometimes resulted in industrial suicide. When that happens, an entire sector of industry becomes non-competitive. This is one of the paradoxes of the destructuring governance that typifies the LDCs: the impossible perpetuation of the tools of production and diffusion of value-added production, which is nothing other than a problem of governance and strategic alertness.

The EC decision to totally open the markets of the EU countries to LDC products is to be welcomed. Even so, one would not want more subtle, non-tariff barriers to replace this new deal, confirming as it does the failure of a particular concept of aid policy and trade preferences. The key to the future, then, will be a new policy of interdependence between the industrialised and weakly industrialised countries.

It is no longer possible to say that the economic growth of the LDCs can be

organised purely on the basis of accelerating trade in goods and services. Nor can there be a serious claim to help while at the same time ensuring that raw materials are purchased at rock-bottom prices and largely processed outside the LDCs, despite the poor local capacity to absorb technology. The right of access to raw materials cannot indefinitely be measured by

the yardstick of macroeconomic interference. It is important to re-open discussions on the possibility of instituting a targeted Marshall Plan in the form of operations of the type of concessionary B.O.T. (build-operate-transfer) arrangements, where the industrialised countries construct, exploit jointly with the locals for a certain period, and transfer (C.E.T.) ownership to the LDCs. The infrastructure is likely to become the primary source of job creation and income, with happy consequences for the services industry.

Macroeconomic interference VS Marshall Plan

Intensification of economic transactions and integration between trade and production are tending to eliminate the artificial distinctions between agriculture, industry and services. The geospatial integrations are offering new opportunities in terms of markets, especially intra-regional markets. But with what purchasing power? The population of the LDCs is likely to increase from 614 million in 2000 to 843 million in 2015, an average annual growth rate of 2.2%. For the industrialised countries, in the same years, the population will increase from 842 million in 1997 to 889 million, an average annual rate of increase of only 0.3%. The per capita gross domestic product of the LDCs, US \$245 in 1997, is 1/78th of that of the

industrialised countries, US\$19 283. Caution should therefore be exercised by advocates of policies of scattered development, control of the states' administrators, or direct injections of finance into civil society – who consider that development curves in the LDCs will necessarily be similar to those of the industrialised countries. This overlooks the fact that macroeconomic interference policies, which are far from being Marshall Plans, were primarily designed to ensure the return of the LDCs to the paradigm of freedom of movement of goods and services, though not of individuals.

The Jubilee 2000 discussions on the cancellation of LDC debts, with no modification of the way in which interest rates are calculated, stopped abruptly and gave way to additional conditionalities. Public development aid to the LDCs has fallen by 45% since 1990, the level in 2000 being what it was in 1970, though the conditionalities are not. All the major themes forming part of the reports by the Bretton Woods institutions – essential infrastructural needs involving the reduction of poverty and digital fracture – have achieved only modest, not to say partial, results on the ground and cannot pass the test of perpetuation of successful activities.

In short, the LDCs are indeed WICs – weakly industrialised countries. Nobody seems really interested in changing this status quo. The law of the market is liable to devour the WICs asymmetrically, to suit the needs of the transnational companies which themselves exert a more and more direct influence on the policies of the industrialised nation states.

The WICs must organise collectively

Unless the emergence of a group diplomacy takes over and classifications by default are replaced by collective organisation, it seem illusory to continue refining the measurement indicators scientifically describing the problems and constraints of the LDCs without making any real effort to find specific solu-

tions to those problems. If the nation states agree to transfer, on a peaceful and organised basis, some of their national sovereignty to supraregional structures, the regional groups may perhaps be able to pave the way to post-globalisation – in other words, interdependence. Protection in the form of institutionalisation of group diplomacy and intermediate international organisations could prove to be no more than a neoliberal programme for breaking up the collective structures of the LDCs so that, eventually, a citizen of an LDC becomes an article to be sold off cheaply as part of a trade rationale that breaks up the social and cultural aspects.

The LDCs' industry will not escape the same fate, except that the private sector may give rise to islands of industrialisation, controlling the industrial sector by privatisations that often provide no benefit to the states, or by non-competitive private contracts which allow the LDCs' national heritage to be sold off cheaply and the machinery of production taken over in order to nullify competition. The addition of a devaluation or two, on the part of the strong systems, is all that is needed to perpetuate the vicious circle – the hypnotisation of the LDCs at the minimum level of industrial development and hence dependence as regards access to manufactured goods – in an almost identical fashion until even the unbelievers come to accept the inevitable.

The LDCs' industries, then, will be tolerated only if they are integrated, produce for regional and local markets, and provide no competition for the industrialised countries' manufactured goods. The fact is that the LDCs, despite everything, will remain under the influence of the donor countries.

Rebuilding the independence of the international organisations

The concept of an LDC is becoming an obsolete classification, often serving as a conscience-cleaver. It is time to give thought to the harmonisation of a new framework for defining the weakly

industrialised countries, the concept of "WICs" should make it possible to reach consensus thanks to the close correlation between indebtedness, the UN's composite criteria defining the LDCs, and, in particular, the concept of the low-income country. Simplifying the indicators means harmonising the methods for organising solutions and opening the way to mergers between international institutions. This is another way of demonstrating interdependence.

The future of the WICs during the 21st century presupposes a collective organisation at subregional level and between major intercontinental regions. Within such an area of concerted action, civil society will be able to express its needs in respect of industrialisation, needs which are not necessarily those of the sometimes profligate consumer society, elevated to the status of a single line of thought and a production standard for some industrialised countries. The alternatives to the globalisation of the law of the jungle proved their effectiveness in Seattle and Porto Alegre, to mention only two instances. Choosing at first sight only cannot be a future policy for the governance of the WICs.

Are the donors really ready to listen and to organise their decisions to support proposals that have achieved consensus, in a transparent way, with the populations of the least developed countries? Are the WICs ready to seize the opportunity offered by reasoned interdependence? Nothing could be less certain! The concessionary arrangements negotiated could serve as an ersatz Marshall Plan, which the industrialised countries do not want.

**Born in Togo, Dr Amaïzo is an economist working at UNIDO, and author of "De la dépendance à l'interdépendance.*

Mondialisation et marginalisation: une chance pour l'Afrique?" (From Dependence to Interdependence: Globalization and Marginalization – an Opportunity for Africa?), Harmattan, Paris, 1998. The views expressed in this article are entirely the author's own.

“Everything But Arms” free access for imports from Least Developed Countries

On 26 February 2001 the European Union decided to liberalise imports of all products from least developed countries (LDCs) except arms and munitions: “everything but arms” (EBA).

In doing so, the EU extended free access to all sensitive agricultural products, doing away with all remaining tariffs.

Even the three most sensitive products – rice, sugar and bananas – were included, but are to be progressively liberalised over the next four to eight years. The EBA initiative has had a long and difficult birth. Will it now have a long and successful life?

Remco Vahl *

When the EU’s General Affairs Council adopted the Everything But Arms initiative, it immediately extended duty- and quota-free access to all meat and dairy products, fruit and vegetables (fresh and processed), cereals, processed sugar and cocoa products, alcoholic beverages, etc. For fresh bananas, the EU tariff will be gradually reduced from the full EU tariff (at present almost €700 per ton), to zero on 1 January 2006. For rice and raw sugar, duty-free tariff quotas will be opened this year, based on best LDC exports to the EU during the 1990s, but with an annual growth rate of 15% to be applied as from day one. This will pave the way for full tariff elimination for rice and sugar between 2006 and 2009, from over €400 (at present) to zero. At the end of the 2008/2009 marketing years for rice and sugar (September and July respectively), there will be definitive and unlimited free access.

The beneficiaries of this liberalisation move are the 48 LDCs already covered by the EU’s Generalised Scheme of

Preferences (GSP). Numerous indicators can be used to illustrate that these are really the poorest nations on earth, but in the EBA context one indicator stands out: their increasing marginalisation in the world economy as reflected in their tiny share of world exports. Although they make up around 10% of the world’s population, LDCs account for less than 0.5% of world exports. In 1980 their share was 0.8%.

This is why, in December 1996, ministers meeting at the Singapore conference of the World Trade Organisation (WTO) pledged to implement an action plan to improve market access for LDCs. The EU quickly moved to grant all LDCs treatment equivalent to that accorded to the ACP States. As a result, when the European Commission made its EBA proposal in October 2000, the EU was already providing duty-free and quota-free access for all industrial products, including textiles and clothing, and a large number of agricultural products from LDCs, covering 99% of their exports to the EU.

Moreover, the EU committed itself to liberalising “essentially all” imports from LDCs. This became all the more relevant when the next WTO negotiating round failed to get off the ground in Seattle at the end of 1999. Developing countries clearly needed reassurance that their interests would be at the heart of the next round. In response, shortly after Seattle, the four main industrialised powers of the Quad (EU, United States, Japan and Canada) confirmed market access for LDCs as one of their main priorities. In June 2000, the EU laid down its commitment to liberalise essentially all imports from LDCs in the Cotonou Agreement, reflecting ACP recognition that a special effort was required for the LDCs.

In September the Commission decided that a radical move was needed to set an example with regard to the LDCs that would be followed internationally, and would send a strong signal to developing countries that the developed world was serious about providing greater market access. In order to make a real difference to the LDCs, the Commission proposed immediate liberalisation for all agricultural products, except rice, sugar and bananas, which would be gradually liberalised between 2001 and 2004. The radical nature of this proposal was borne out by the fact that it caused considerable unrest within agriculture departments throughout EU administrations, and provoked a wave of protest from the EU sugar sector.

Under the French Presidency of the Council, despite a broadly positive reaction to the Commission proposal, decision-making stalled as the Commission struggled to answer Member State

queries about the impact of its proposal on the EU's agriculture and budget. This impact was extremely hard to quantify because of uncertainty over the supply response LDCs would be able to provide – which is dependent on future investment, supply and infrastructure bottlenecks, trade with neighbouring countries, sanitary conditions, world and Community price trends, etc.

Reflecting reactions within the EU, the ACP States as a group welcomed the Commission's proposal in substance, but several ACP States also had major concerns. This was particularly true for those countries which, not being least developed themselves, feared sudden and strong competition from LDCs in sensitive agricultural products, notably sugar. Pressure on the Commission, from within and outside the EU, increased so much that some started to fear a backlash that would change the scope of the Commission's EBA proposal to "Everything But Agriculture" or "EBARBS" – Everything But Arms, Rice, Bananas and Sugar.

Those three sensitive products became the focus of discussions on a compromise that would take account of the interests of ACP countries producing these commodities, of EU producers and the EU budget (facing rising costs related to the BSE crisis). Under the Swedish Presidency of the Council, the Commission actively contributed to finding a compromise that would uphold the ambition of its original proposal to cover "everything but arms" but would also address the concerns raised. Thus the Commission gave the necessary assurances that the rules of origin would be applied so that the EBA initiative would really benefit the LDCs. In

addition, the wording of the existing anti-fraud and safeguard clause was specified to reflect the EU's commitment to defend itself against fraudulent or damaging surges in imports from LDCs.

These aspects – benefits to the LDCs and implementation of existing rules and provisions – would, the Commission declared, be the subject of a report it would submit to the Council in 2005. However, the Commission and an overwhelming majority of Member States decided to reject the idea of reviewing the situation in 2005 before taking any final decision on liberalising rice, sugar and bananas. As a result, the decision to liberalise "everything but arms" has now been taken and, for the three most sensitive products, a clear timetable agreed.

Which takes us back to the question of the likely impact of this far-reaching political decision. Given earlier liberalisation, the products covered by the EBA initiative currently account for about 1% of their exports. However, now that all tariffs are being removed, LDCs will enjoy new opportunities to build up trade in specific products and to attract new investment. Many of the fresh products liberalised by the EBA initiative are produced by LDCs. Furthermore, the LDC agro-processing sector can benefit, thus promoting economic activity and value added in the LDCs.

Of course, internal infrastructure and other factors have so far constrained LDC exports, and sanitary requirements will be a further factor. Since these factors condition the supply response which LDCs will be able to give to the EBA initiative, the Commission is stepping up its efforts to address them. The LDC Conference in

Brussels will certainly tackle the issue of technical assistance to help LDCs overcome the constraints on their exports.

In the *Financial Times* of 4 March, Kofi Annan, the UN Secretary-General, welcomed the EU's EBA decision as an important step in favour of the LDCs. He also made the point that it promoted confidence in a new WTO round in which development concerns would take centre stage. Crucially, Mr Annan called on the EU's main trading partners, notably the United States, Canada and Japan, to follow the EU's example. Trade liberalisation can only make a full contribution to LDC development, and confidence among developing countries will only be restored, if the EU's trading partners open their markets as the EU has done.

As far as the ACP States are concerned, the EBA initiative is an important part of implementing the Cotonou Agreement. In addition to the EU's commitment with regard to the LDCs, as laid down in the Agreement's trade provisions, the agreed principle of differentiating between developing countries in accordance with their levels of development has been put into practice in the field of trade. This is the first step towards new ACP-EU trading arrangements compatible with WTO rules. The next challenge for the EU is to enhance cooperation with the ACP States – both non least developed and LDC ACPs – on trade, investment and trade-related areas in the context of the future economic partnership agreements envisaged in the Cotonou Agreement.

** European Commission official working on the EBA initiative*

1998	EU	US	Japan	Canada
Trade with LDCs	€18.8bn	€7.7bn	€2.9bn	€0.4bn
Exports to LDCs	€10.1bn	€2.1bn	€2.0	€0.2
%QUAD* exports	70%	15%	14%	1%
Imports from LDCs	€8.7bn	€5.6bn	€0.9bn	€0.2bn
%QUAD* imports	56%	35%	6%	2%

Source: Eurostat – QUAD = EU+US+Japan+Canada

NGO Forum: an invitation to civil society

The NGO Forum will represent the voice of civil society during the Third United Nations Conference on Least Developed Countries. On this occasion, non-governmental organisations (NGOs) will work as true partners of the international institutions - a first!

Valérie Michaux *

More than six hundred NGOs are expected to participate in the NGO Forum and give an account of the more human aspects of poverty during the Third United Nations Conference on Least Developed Countries (LDCs).

The Intergovernmental Preparatory Committee for the Conference has decided that it will be governed by the Peking Rules, which envisage extensive participation by NGOs in the entire process. "This is an historic moment," is the enthusiastic view of the NGO Forum's organisers. "For the first time, NGOs have been invited to attend a major international conference of this kind - as partners. The international community appears to have realised the importance of working with NGOs to take political decisions."

The event is certainly worthy of attention, and could be regarded as the completion of a long process. For several years NGOs and other associations have increasingly been making their voices heard at important international conferences, but they had to do so back-stage, at "counter-summits" or "parallel summits," whose demands were rarely passed on to the official summit. Things will be different this year because,

for this Conference, NGOs have been invited by the United Nations and the European Commission to participate in preparations for the Conference, both nationally and internationally. "The challenge for us all is to bring civil society into the process and give it the access it needs to express itself," says the Newsletter of the Liaison Committee of Development NGOs to the European Union.

Consistency with Cotonou

Today, the international authorities appear convinced that governments and official institutions cannot meet the challenges posed by poverty in the least developed countries without the support and intervention of civil society. "As a result of their direct actions on the ground, the development NGOs are more familiar than anyone else with the problems of the Third World," says Francisco Granell, Chief Adviser at the Directorate-General for Development, with responsibility at the European Commission for the third Conference. In any case, involvement of civil society is consistent with the Cotonou Agreement, which obliges the African, Caribbean and Pacific (ACP) states to consult civil

La Maison de l'Europe



The NGO Forum will be based in the Solvay building, a few minutes away from the European Parliament, where the Conference will be held

society and the private sector when defining development policies and strategies.

The European Commission and the United Nations have earmarked €2 million for the organisation of the NGO Forum. Although in general NGOs from developed countries have no difficulty in attending such important international meetings, for their counterparts in poorer countries it is nearly impossible, as the costs would drain their already limited financial resources. "To ensure their presence, the European Commission is financing the travel and accommodation expenses of at least two NGOs from each of the 49 least developed countries," explains Daphne Davies, coordinator of the Forum. Two hundred and fifty NGOs from the LDCs are therefore expected to be able attend this Conference.

The NGO Forum will take place quite near the official Conference. "For the NGOs, the challenge is to be sufficiently integrated and to be regarded as genuine partners. That is why we will be based in the Solvay building, a few minutes away from the European Parliament, where the Conference is to be held," says Davies.

Multiple demands

Three days before the Conference, the participating NGOs will finalise their positions and prepare their joint proposals at a plenary session. As far as the NGO Forum is concerned, there are many issues to be debated at the Conference; these range from debt cancellation to the prohibition of arms sales, problems of refugees, health issues and the advancement of women. In July 2000, at the first preparatory meeting in New York, the NGOs issued a clear call for "a complete revision of the economic model of free markets currently applied to the LDCs; debt cancellation; just rules within the WTO [World Trade Organisation] and free access to markets for all the LDCs' products; a rapid increase in all levels of aid; greater donor coordination; and a total ban on arms sales."

For the representatives of the Forum, "the current model of the market economy has failed to work in the Least Developed Countries, and more and more countries, especially the poorest

ones.... (are) on the margins of the global economy." As far as civil society is concerned, the LDCs and their populations are the victims of poverty, made powerless and marginalised by the world's economic and political order. The NGOs argue that the time has come to find solutions to the problems of the LDCs if there is to be any hope of achieving the development objectives relating to the eradication of poverty, social justice and sustainable development agreed by the international community.

It is unlikely that this Forum will set a precedent for forthcoming international summits; it would be hard to imagine such an NGO Forum being held alongside a meeting of UNCTAD or the WTO! However, in the context of working to eradicate poverty, governments still view

NGOs as valuable partners. It is true that the challenges facing the international community are massive: 49 countries, home to about 700 million people (about 10.5% of the world's population), are classified by the United Nations as "Least Developed Countries." And the number is still growing; in 1971, after all, there were "only" 25. According to the Secretariat of the Forum, "the Conference is a key opportunity for strengthening and highlighting a poverty eradication programme and development approach based on respect for human rights. ... And that involves total participation on the part of civil society."

Credibility

Since the previous two United Nations Conferences on the LDCs, held in Paris in 1981 and 1991, the situation of those countries has hardly improved. We need only analyse the situation on the ground in order to realise that the international community has not complied with the commitments entered into at the two Paris Conferences. The share of gross national product (GNP) that the OECD countries are allocating to development aid is at its lowest level since the second Conference: in real terms, the volume of public development aid has fallen by 23% since



The Courier

One of the issues to be debated at the Conference is a total ban on arms sales

the beginning of the last decade. Initiatives designed to help reduce indebtedness have made little headway. Many LDCs are still allocating 40% of their GDP to service their debts. Some of these countries have seen their development process cut short by the HIV/AIDS epidemic and an ever-increasing number of conflicts. "The challenge facing us has never been greater, but equally this means that the danger of ridicule is that much higher," says the Newsletter of the Liaison Committee of NGDOs to the European Union.

On the occasion of this third Conference, Rubens Ricupero, Secretary-General of UNCTAD and of the Conference, also noted that "the central issue to be addressed is that of the credibility of the undertakings entered into with regard to reversing the increasing marginalisation of the least developed countries and set-

"This is an historic moment," is the enthusiastic view of the NGO Forum's organisers. "For the first time, NGOs have been invited to attend a major international conference of this kind – as partners"

ting them on the path of development." It was precisely in order to ensure that governments comply with the decisions taken at this third Conference that the European Commission and the United Nations decided to work in partnership with the NGOs. The essential role of civil society will be to ensure that governments and international organisations do not avoid the problems but address them energetically and take specific steps to monitor and apply their commitments. "The results must be both specific and long-term. The structural weaknesses of the LDCs and their fragile and inequitable situation in terms of global governance require a radically different development approach," says the civil society preparatory document. This approach follows the same thinking as Francisco Granell, who says that: "The failure of the previous two summits was due to the fact

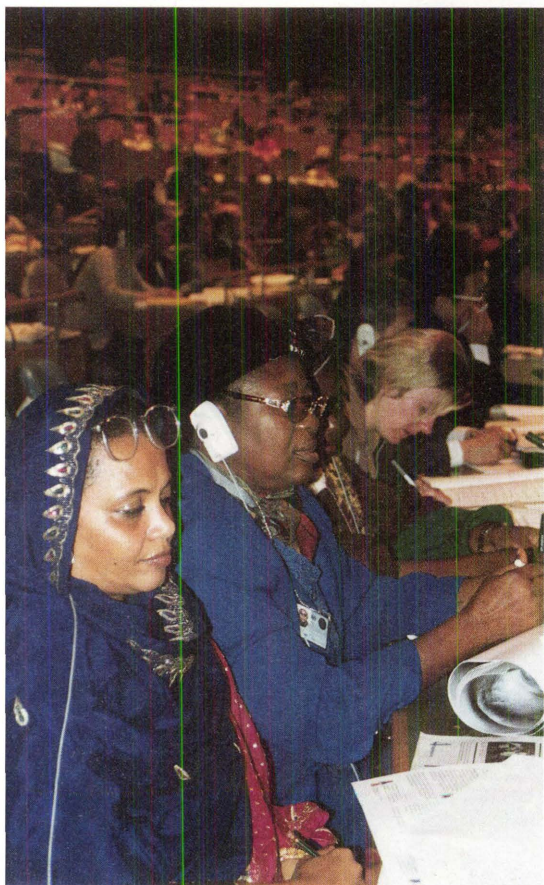
that the recommendations contained in the action plan were not applied. In ten years' time the NGOs are going to have to help implement the action plan in each of the LDCs."

Gérard Karlshausen, Political Secretary of the National Development Cooperation Centre (Brussels) and a member of the Forum's international steering committee is less ambitious regarding the role that the NGOs may be able to play at this kind of summit. "In the short term," he says, "the NGOs will certainly be able to put across a number of demands through parliaments, civil society and the media." James Mackie, Secretary-General of the Liaison Committee of NGDOs to the European Union observed, "We are aware of how few results may be achieved by the end of this Conference." But, to quote Gérard Karlshausen again, "if this LDC Conference cannot be expected to produce anything more than another display of pomp and circumstance, at least it will provide an opportunity to remind public opinion that, over and above the problems created by globalisation, there are countries that rank among the outcasts' outcasts, countries more excluded than the other victims of exclusion." Let us at least ensure that, with the participation of the NGOs, this third Conference will go a step further than the previous two LDC Conferences.

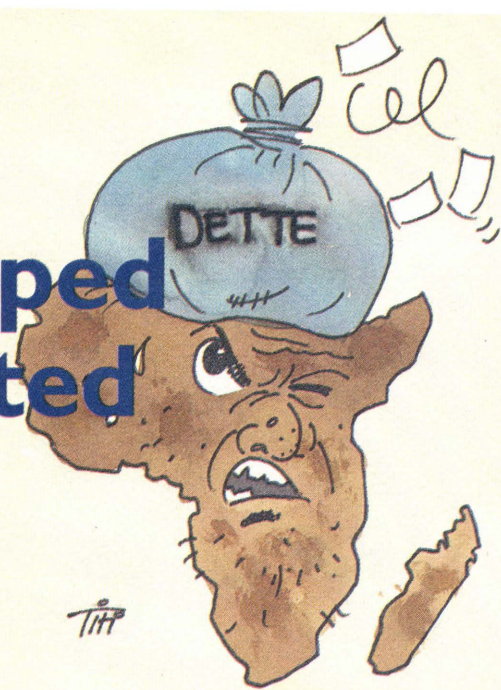
* InfoSud

Women representatives of civil society at the Millenium Summit, New York, May 2000. Koffi Annan wants to include civil society in decision-making. NGOs have been invited to participate as partners in the Brussels Conference — "a historic moment."

The Courier



When Least Developed meets Highly Indebted



The Jubilee 2000 campaign rallied civil society to the cause of writing off poor country debt by the end of the millennium. The millennium year and all its euphoria has passed, and poor countries are still caught up in the debt trap. Debt will be on the menu at the Third UN conference on LDCs, as the world's poorest countries are often the most indebted as well.

By Greta Hopkins

So was the Jubilee campaign a failure? According to one EU official, although its reasoning was simplistic, the NGO coalition created so much political pressure that politicians had to be seen to act. International donors were forced to sit around the same table and think up a solution to the debt problem. The most important result of donor co-ordination was the HIPC – the Highly Indebted Poor Country initiative, spearheaded by heavy-weight donors such as the International Monetary Fund and the World Bank. This first effort was then beefed up with HIPC II when poverty was brought in as the number one priority of international development aid, and debt relief was linked up with the country owned Poverty Reduction Strategy Papers (PRSP).

The May LDC conference will give policy makers a chance to take stock of what has been achieved so far, what needs to be done, and to put the debt problem into perspective. Debt is controversial and complex, but most agree that cancellation will not lead poor countries from poverty into the economic garden of Eden, and that development cannot be reduced to one single burning issue.

The debt trap

Few economists would question the need for debt, recognising it as an essential cog in the wheel of the world economy. Without loans it would be hard for governments to finance large infrastructure projects, for entrepreneurs to set up business, for families to buy somewhere to live. The problem comes when the debt is unsustainable, when credit bills are coming in faster than income. Analysis of the current situation shows that around two-thirds of LDCs have an unsustainable debt burden.

The United Nations Conference on Trade and Development (UNCTAD) has published a report on LDCs in 2000, in preparation for the May conference. It is entitled *Aid, Private Capital Flows and External Debt: The Challenge of Financing Development in the LDCs*. It observes that the persistent external debt burden makes it extremely difficult for poor countries to escape from the low-income trap. Debt puts a series of obstacles in the way of internal investment and development. Debt service payments absorb foreign exchange and weaken capacity to import capital goods. If governments are tied to debt service payments, they inevitably dip into budget resources needed for health, education and other essential public services. The debt overhang also gives a “high risk” stigma, discouraging potential investors. As a result, potentially profitable firms in indebted countries have a hard time trying to access international capital markets.

The ‘debt tail’ wags the ‘aid dog’

UNCTAD is highly critical of what it describes the ‘aid-debt service system.’ The report finds that debt relief is increasingly treated as another form of Overseas Development Aid, with large chunks of ODA being diverted into debt relief. The temptation for official creditor-donors to put aid budgets into paying off their own loans has proved too much to resist. As a result countries without a debt problem get forgotten, aid for development projects is cut, and aid effectiveness is reduced as recipients struggle to cope with the intensity of debt relief.

EURODAD, the European network on Debt and Development, describes this as “one of the hidden scandals of the debt debate.” A

European Commission official in Brussels is also concerned that money for debt relief is coming from dwindling development budgets themselves. “The debt debate is also taking place at time when many bilateral aid budgets are declining, most dramatically in Japan, but also in many other countries. Writing off debt further reduces the amount available for traditional projects, although it may appear like a much simpler way of doing development,” he said.

Using debt relief as a carrot?

Reports of corrupt and inefficient use of debt relief have led donors to believe that the HIPC initiative should be linked to countries’ poverty reduction strategy papers. For example, they were embarrassed by a case in Zambia, where frauds on commodities’ export prices equivalent to two full years of the country’s debt service were uncovered.

Official donors now agree that the debt burden cannot be totally blamed for a lack of spending on social development. The European Commission, for one, looks at how public finances are managed when it offers budget support to poverty alleviation strategies. It has also investigated how indicators can be used to monitor the effect and use of debt relief. Indicators could include statistics on basic social standards, such as how many children go to school or the number of women who die in childbirth. A top aide to Commissioner Nielson, Kristian Schmidt, says: “debt relief will only work if the resources are released for a good purpose. The European Commission has been instrumental in introducing a more social dimension to development policy.”

Some fear that the extreme politicisation of the

subject will push donors to go too fast, and a golden opportunity to encourage progress on poverty will be lost. "Debt relief is an enormous carrot which donors can use to force developing country elites to be useful. The danger is that we use the carrot too quickly," one EU official told *The Courier*. Supporters of conditional debt relief admit that it is not easy to use such indicators in practice. The poorest countries have no working statistical services, and many are tempted to fabricate good results to please the donors. The Commission points to Madagascar and Burkina Faso, as countries where indicators have been used to achieve concrete results, and hopes this can be duplicated elsewhere.

NGOs warn that conditionality makes the HIPC initiative too bureaucratic and inflexible to be able to respond to fast-moving humanitarian disasters like the floods in Mozambique. "Human disasters do not wait for teams of World Bank economists to arrive with their laptops and economic models," says a EURODAD paper. They propose a Crisis Response Mechanism in the HIPC initiative, which would stop the clock on all public external debt servicing, for a moratorium period of two years, in the event of a disaster.

For EURODAD, HIPC is too slow because it is linked to progress on participatory Poverty Reduction Strategy Papers. Debt relief should start right away, via a mechanism which channels debt relief resources to attack poverty. This approach has been successfully pioneered in Uganda. As the debt burden is lifted, progress on poverty can be made, and poor countries will be in a position to start implementing their PRSPs. If a country is really too corrupt or unstable to cope with debt relief, the NGO proposes that debt servicing money must be held in trust until the time is ripe.

The ACP dimension

There is no official African Caribbean and Pacific (ACP) group view on the debt problem although 40 of the 49 least developed countries are ACPs, and many qualify for highly indebted status. ACP Finance Ministers last met in 1998, and when they meet again in the second half of this year, debt will no doubt be on the agenda.

In July 2000, the ACP accepted a European Commission offer to allocate €1 billion of unused EDF funds to debt alleviation: €320 million to reimburse debts owed by ACP countries included in the Initiative, and €680 million to the World Bank administered HIPC trust fund, designed to help other mul-

tilateral development banks (in this case the African Development Bank) give debt relief. A first tranche of €250 million was paid this year. This represents roughly a third of total paid-in contributions, meaning that the Commission is so far the most important single contributor.

Jean-Robert Goulangana, Secretary General of the ACP General Secretariat, said: "It is an understatement to say that the ACP Group is pleased with the satisfactory outcome of this process. Of course, the ACP Group would have preferred that all ACP debts contracted under the previous European Development Fund be simply cancelled, and that if not, financial resources other than EDF funds be utilised. We recognise that this has not been possible. Nevertheless we had to act."

The European Commissioner in charge of Development, Poul Nielson, said: "The ACP countries have agreed to this reallocation of EDF resources in an impressive show of South-South solidarity." Mr Nielson is disappointed that other donors have not so far matched the EU funds.

A view from Tanzania

Ali A. Karume, Ambassador of Tanzania and Head of Mission to the EU, spoke to *The Courier* about the debt problem in his country. "In struggling to develop our economy we realise we have a lot of hurdles in the way, and one of them is the debt overhead. We have no choice but to negotiate with the countries which have extended these debts to us, so that they can reschedule, and in some cases write them off.

Our creditors in the North have prospered a lot thanks to debt repayments, so I would expect them to be a little generous towards us. I believe that debt cancellation would go a long way towards helping us to be properly focused on economic growth."

The Ambassador described the frustration of leaders in Tanzania, who promise people that their taxes will go towards battling the scourge of poverty, only to find scarce resources are already tied to debt payments. "Tanzanian

policies show we are very serious about fighting poverty, and I think we need to be considered seriously for debt write off," he said. Mr Karume knows that Tanzania is legally bound to pay these debts, but hopes that the international community can make a practical gesture in the name of poverty eradication. He also accepts creditors' need for some kind of conditionality before writing off debt, to determine the seriousness of policy makers. "We need to establish political and economic benchmarks, or social indicators, to make sure that policies are working on the ground," he said. Karume also agrees we have to be careful about corruption, a problem which exists in every society, "because we do not want to throw good money after bad."

Mr Karume thinks HIPC is a good initiative, but just a first step. Stage two will be to increase resources in poor countries to help them to combat poverty. He says this could come in the form of grants, foreign investment or loans with concessionary terms. Poor countries need more resources to give their economies a kick-start, and to tackle exceptional problems such as floods and drought. "When we have solved the debt problem, creditors should not be surprised when the poor countries come back for more loans. Except that this time round I would expect the money to go to economic development rather than state-building."

Mr Karume hopes that the LDC conference will help sensitise people to the problem of abject poverty. "Ultimately, if we do not tackle the poverty problem, there will be a spillover from poor countries to rich countries. African people who have studied abroad often prefer to find work in the rich countries of the North. The brain drain from Africa is really hurting our economies, but it also results in unwelcome immigration to the North. The rich countries find them themselves host not only to highly qualified personnel, but also to unqualified, unskilled family members. Let's nip this problem in the bud, and help the poor countries stabilise to minimise immigration."

The Heavily Indebted Poor Countries (HIPC) initiative was launched in September 1996. It represented a concerted effort by all donors and multilateral creditors to tackle the problem of external indebtedness of low-income countries. However, the original initiative fell short of the total need for debt relief and a review in late 1998 pointed to the need for an enhanced initiative.

The Heads of State and Government at the G-7 Summit in Cologne in 1999 agreed on the need for a second initiative to provide faster, deeper and broader debt relief. The boosted HIPC II initiative includes more debt relief for a greater number of countries, faster debt relief, and retroactivity and closer linkage between debt relief and poverty reduction. HIPC II includes both bilateral and multilateral debt. The broader criteria have resulted in the initiative's costs rising from a previous level of US \$13 billion to some \$27 billion.

Financing development in African LDCs

There is such a diverse range of issues related to financing international development, that this article focuses on African LDCs, covering the devastating burden of debt, the problem of aid coordination, and the need for local decision-making.

Adot Killmeyer-Oleche*

It is widely acknowledged that the international development system has failed to achieve its objective – primarily of increasing growth in poor countries and improving the welfare of their populations – over the past two decades. Failure suggests a deeply systemic flaw in the way in which development cooperation is conducted which calls for an overhaul of the thinking, and the relationships and conditions, which determine how development assistance is delivered to the poorest countries. With more than 50 years' experience, there is a need to review the objectives of aid on both sides to ensure that old mistakes are not repeated.

This flawed system has some built-in poverty deepening characteristics, which work against the very development objectives that the system was designed to achieve. One of these is the debt management relationship between creditors and debtors, which, during the 1990s, succeeded in entrenching a vicious cycle of high indebtedness and aid dependency in LDCs. Another quirk in the system is that levels of overseas development assistance are steadily dwindling at a time when adequate financial support is critical for the economic

recovery of LDCs. At the same time, the mechanisms for coordinating bilateral and multilateral development cooperation have tended to deteriorate, resulting in unnecessary duplication of effort.

In order to improve the effectiveness of development cooperation programmes, optimise scarce financial resources, and reduce the spread of poverty, it is important to identify new ways of managing development cooperation that empower recipient governments. The current system needs to be replaced with one that is growth enhancing while improving the overall social well-being of LDC populations. To do this, it is important to understand the process leading up to the creation of a system characterised by the coexistence of aid dependency and high indebtedness. This is also important because we need to ensure that the poor in LDCs are not faced with difficult livelihood choices in the future: abject poverty at home or humiliation (more abject poverty) abroad.

LDCs efforts to generate growth

A common explanation for the 1990s' failure of development cooperation is that LDCs were not able to make the necessary macro-economic

policy reforms required to raise growth rates. On the contrary, LDCs made significant efforts in response to the macro-economic reforms recommended by the IMF and the World Bank during the 1990s. These included policy changes aimed at liberalising their economies, opening up their financial markets and encouraging export growth. The main source of external financing was the IMF through its Structural Adjustment Facility (SAF) and the Enhanced Structural Adjustment Facility (ESAF). These programmes allowed LDCs access not only to highly concessional financing from the IMF, but also to alternative sources of capital once the programmes' scope was agreed upon.

But, dependence on external financing is relatively recent. According to the Economic Commission for Africa (ECA), Gross Domestic Savings (GDS) was 23% of GDP and Gross Domestic Investment (GDI) was 22%, leaving no gap to be filled in 1980. At the time, foreign direct investment formed 0.7% of the region's GDP. However, by the mid-1980s, GDI had fallen to 13.2% (from 25.1% in 1974-1980), the growth of ODA had dropped from 25.1% in 1974-1980 to 13.2% in 1981-1990. Because the rate of savings had been perturbed by the oil shocks of the latter part of the 1970s, and the drop in ODA, the gap between GDI and GDS gradually grew, forcing governments to use external resources to finance investment.

Since 1988, 69% of the 48 LDCs initiated SAF or ESAF programmes,

Table I - Required Growth and Investment Rates to halve Poverty in Africa by 2015

Subregion	Required GDP growth rate (%)	Incremental capital-output ratio (ICOR)	Required investment rate (%)	Current investment rate (%)	Investment gap (extra investment required as % of GDP)
North	5.60	3.8	21.3	24.2	N/A
West	7.61	4.8	36.5	17.6	18.9
Central	6.70	7.3	48.9	20.0	28.9
East	8.12	5.6	45.5	14.6	30.9
South	6.20	6.1	37.8	17.6	20.2
Africa (average)	6.79	5.0	33.0	20.5	12.5
Sub-Saharan Africa	7.16	5.8	40.0	17.4	22.6

Source: The Economic Commission for Africa (ECA), *Economic Report on Africa* (Addis Ababa, Ethiopia, 1999)

including 27 African countries. Many have “liberal or relatively liberal FDI regimes, in terms of remittances of dividends and profits and capital repatriation,” have increased their financial openness, and dismantled trade barriers. Despite these measures, the average increase in growth was less than 2%. Overall, economic conditions in LDCs were worse in 1998 than in 1990.

In defence of the LDCs, though, there seems to be a link between the adoption of these policies and access to additional financing. Herein lies one of the major flaws of the international development cooperation system: the more a LDC paid to debt servicing, the better their access to donor financing, the higher their relative degrees of indebtedness.

Meanwhile, poverty rates increased during the 1990s, emphasising the fact that social considerations were not fully accounted for during the preparation of macro-economic reform packages. In Sub-Saharan Africa, per capita income dropped from \$749 in 1980 to \$688 in 1998 and poverty is expected to increase over the next 10 years. This is clear from the trends in economic growth throughout the region: in order to halve poverty by 2015, GNP should grow by 5%, whereas the average

growth rate in the 1990s was only 2.1%. This suggests that Sub-Saharan African countries will need annual investment rates of at least 30% per year in the long run, assuming East Asian efficiency levels.

The challenge of reducing poverty in Africa by 50% by 2015 implies that:

- Poverty will have to decline at an annual rate of 4.5%
- An annual per capita income growth of 4.5%-to 4.9% will be necessary
- Investments will have to reach 44% of GDP
- Total GDP growth will have to increase to 7.7% annually
- Average savings will have to cover the gap of 30% of GDP to maintain the required level of investments
- A financing gap of 16% of GDP will need to be filled to cover shortfall created by low domestic savings and ODA inflows.

Additional catalysts of high poverty are embedded in the various structural deficiencies that are characteristic of underdeveloped economies: weak private sectors, poor governance, low savings rates, weak financial systems, limited public investment in infrastructure, weak

linkages between agriculture and industry, etc. Added to this, the scourge of HIV/AIDS, which threatens to wipe out any social gains that have been achieved despite deepening poverty: lower infant and maternal mortality rates, higher literacy levels, etc.

The ECA concludes: “Africa needs to develop a framework and strategy for closing its resource gap in order to achieve the objective of halving poverty in 14 years. While the closure of the resource gap requires effective action to mobilise domestic resources, there are indications that in the short-medium term considerable attention will have to be paid to mobilising external resources.”

Strategies for financing development

Recognising the urgency for a revised system for financing development cooperation, a UN conference on the subject is scheduled for the first quarter of 2002, in Mexico. This is a welcome development for poor countries, particularly as the preparations for this conference will have to take into account the results of the Third LDC Conference in May 2001, which will undoubtedly present serious recommendations for a revision of the international development cooperation system.

There are several options for improving the current systems of financing development, and the following are by no means exhaustive. A clear consensus on the need to reduce or cancel debt altogether is emerging among civil society observers. UNCTAD makes a strong case for new debt management principles in its LDC Report 2000, critically reviewing the experience of structural adjustment in the 1990s. One main reason is the fact that debt servicing during periods of drastic structural adjustment has actually resulted in increased poverty. To promote growth-enhancing debt relief, timing is p a r a m o u n t .

Because poverty reduction is a long process, financing for comprehensive poverty reduction strategies might not generate the desired results in the short-term. The so-called new international financial architecture must not exclude borrower countries from the negotiating table.

LDC governments will have to identify local solutions to improve the growth of savings, by making concerted efforts to raise household incomes. Because the majority of the poor in Africa are based in the agriculture sector, this implies modernising the sector and transforming subsistence agriculture into commercial activity. Efforts

have to be made to avoid agricultural production systems that are ecologically unsound. Income generating policies will have to be complemented with macro-economic measures to keep inflation low, and reduce the budget deficit without jeopardising the growth of domestic private investment. Financial systems in rural areas need to improve, by exploring ways in which micro-finance institutions could be formalised to facilitate the monetisation of rural economies.

African countries need to identify ways to encourage higher value-added exports, given that exporting primary products no longer gener-

ates adequate returns. African industrial enterprises have to increase their competitiveness, focusing on export diversification and technological capabilities. One of the main lessons learned from the rapid growth of Mauritius over the past 15 or so years, is that manufactured exports have a significant impact on overall economic growth rates. This does not exclude the importance of encouraging FDI to finance the move towards higher skill and technology industries.

African governments have expressed their firm commitment to the mobilisation of domestic resources, but since the need for external financing remains high, have called for the establishment of an independent body to help identify a durable solution to the debt problem. This call has been made by various civil society organisations, who see debt servicing as poverty enhancing. For once, governments and civil society are speaking with one voice. It should be heeded.

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A woman's business

If you think all of Africa's small and medium-sized companies are run by men, think again.

Yacine M'Bengu, a Mauritanian businesswoman who has made it big, proves to the contrary.

Laurent Duvillier*

She is serving her guests a meal of rice and fish known as *Tshebudjen* in the Wolof dialect. Born to a Senegalese mother and a Mauritanian father, Yacine M'Bengu knows how to entertain. Barefoot around the communal dish, her guests happily abandon their spoons and enthusiastically dig in with their hands.

With her chubby cheeks and a smile as white as her embroidered boubou, this African entrepreneur radiates warm conviviality, while her cooking – in just two mouthfuls – transports us right into the heart of West Africa. In the early 1990s, M'Bengu was having difficulty coping as a single parent supporting three children in college.

"With just my salary it was difficult to cope with all my responsibilities as a mother," she recalled. "I thought long and hard about how I could improve my situation."

M'Bengu always loved cooking so she turned her passion into a profession by setting up her own catering business. Having started her career as a personal assistant and then as a marketing consultant, M'Bengu decided to give up her job and launch her own business. When the mother's union was looking for a caterer to organise a reception for 300 she seized the opportunity and although her business was not yet up and running, offered them her services. It was a success. And she found that three catering jobs brought in as much money as she earned in two years as an employee.

During slack periods between receptions, this enterprising woman very quickly learned to diversify her commercial activities by making drinks such as ginger

juice or by selling jewellery and clothes to Burkina, Ghana and Nigeria. Today, she is renowned for her catering business, and for generating new business ideas. She is also known for her work with other women entrepreneurs, especially in the micro-sector in Mauritania, and in other Sahel countries through the RASEF – a network of women entrepreneurs. However, this remarkable economic and social success story did not happen overnight.

Overcoming the obstacles

As a practising Muslim, M'Bengu had to overcome numerous obstacles created by her family's values and the mores of Mauritanian society. Despite her arranged marriage at age 15, she managed to continue her studies.

"I had no say in the matter whatsoever. I had never even seen my husband before the wedding," she sighs. "My parents, especially my mother, arranged the mar-

I did certain things that other women didn't dare do

riage. It was her way of putting a stop to my schooling."

She studied in secret so she could enter the sixth form. Her mother was against it. It was not easy being married and taking GCSEs and A Levels while pregnant and breast feeding. Harshly criticised, she was

called arrogant, impudent, a Yank and a loose woman before she eventually won the respect none of her countrymen – and countrywomen – would deny her today.

"I did certain things that other women didn't dare do. They obviously wanted to at the time, because now they have to," M'Bengu says. "There are some who have gone much further than me, who earn more than I do and who go to Bangkok or Paris."

Dismiss a "follow the leader" attitude

Whatever their experience, all businesswomen hit snags from time to time. Like numerous women who start up businesses in Least Developed Countries, M'Bengu had no access to any form of financing because none of the conventional channels were open to her.

Her attitude was "nothing ventured, nothing gained" and when she did not have the necessary capital for a catering job, she approached a shopkeeper with a confirmed order. He let her take all the produce she needed to prepare the meal and loaned her 1 million CFA francs to buy a sheep. He was reimbursed a week later when the Town Hall paid her.

M'Bengu is proud to say that she has never borrowed from the bank. In the beginning, this was due to the fact that it was simply too difficult to get a bank loan.

"The bank asks you for property deeds and guarantees, which most people just don't have. It's fine if you have a husband to support you, but I didn't," she says.

What's more, interest rates are high at around 18% to 25%. "It's just not worth it," she says. With her own money and the shopkeeper's help, she managed and was able to put the profits from her first line of business into a second one. M'Bengu's only concern was to be innovative and avoid the "follow-the-leader" syndrome she says is so commonly found in Africa, an attitude she deprecates.



Laurent Duflinier

“Here all the women seem to think they should open a shop selling shoes, dresses and bags,” she laments. “You can find exactly the same goods for sale in ten different stores. The competition makes them tear each other to pieces. I preferred to go into a different line of business altogether.”

Women as driving forces of change

How can African women entrepreneurs better contribute to the socio-economic development of their continent? Or, how could they be given a more favourable commercial environment? The UN Conference on Trade and Development (UNCTAD) relies on valuable insight from people like M'Bengue to enable it to correctly assess the situation on the ground before drawing up a programme of recommendations and effective action. For this reason, UNCTAD has invited her to attend all its conferences to share her experience with governments, local authorities, relief organisations and other NGOs. Governments and public opinion makers will also need to listen to her message. Without a doubt it came through loud and clear in Ougadougou (July

1999), in Geneva (June 2000), in Oslo (January 2001) and in Brussels (May 2001).

Her message is this: governments should recognise the currently untapped potential of women entrepreneurs both as development actors and as driving forces for change. This is how M'Bengue hopes to influence the state politics of the nine Sahelian countries. She has never forgotten the pitfalls she faced when starting out nor has she let her business affairs stand in the way of her philanthropic commitment to African women.

“Everything I've been through has made me want to get involved in community life to try and see how to overcome the negative aspects of being a woman in Mauritania and in Africa generally,” she says.

She got involved by joining the Association of the Women of West Africa as an activist and still presides over the organisation's Mauritanian branch. Next she became involved in RASEF, whose main objective is to protect women's interests in the Sahel sub-region through various activities ranging from lobbying for the ratification of a bill, providing legal aid and obtaining site deeds to creating a women-only market.

Information is the key

Which training courses should I take? Which services should I use? What sort of support do I need? Which sources of funding should I look for? Above all, where should I go for help?

Women entrepreneurs generally do not know the answers to these questions and are confused by the array of possibilities before them. According to UNCTAD studies the lack of general access to clear, comprehensive and consistent information is one of the major stumbling blocks to progress.

A year ago M'Bengue came up with the idea of creating a single advice bureau in each country to deal solely with issues concerning women in business – a one-stop-shop where they were sure to get good advice. She envisaged these “centres for women entrepreneurs” to be organised on the basis of regional networks.

“If a woman isn't necessarily very highly educated yet wants to set up her own business, we need to centralise the raw material she needs, decode it and make it available on her level,” she says.

She needs to know that if she goes to such-and-such a bank, she can get a certain rate of interest or if she goes to such-and-such a local centre, she can ask for a particular sort of technical assistance.

“They have to be able to find everything they need, from A to Z, including expertise, guarantee funds, management follow-up and training,” M'Bengue adds.

She is pragmatic, imaginative and determined. Sooner or later, her radiant smile will win over men and women who will be so impressed that they will rally to her cause.

“If only they knew,” M'Bengue admits, smiling from ear to ear. “Sometimes, I'm more frightened of them than they are of me!”

But let's keep that a secret among businesswomen.

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Searching out new paths the art of **Kosi Nathi**

When art goes back to nature, the winds of change breathe new life into it. Meet Kosi Nathi: an artist who paints with nature. Stones, flowers, plants, soil – he uses them all as materials to create paintings which delight the senses. He makes no concession to art. Today, we are increasingly preoccupied with the survival of our planet, alternative ways of using our resources are being sought in different areas. Art is no exception.

The work of Kosi Nathi is a fine illustration of a potential which often goes untapped through lack of imagination: the possibility of painting using exclusively natural materials.

Djo Tunda Wa Munga

Kosi Nyathi (his real name) was born in December 1963 to Zimbabwean parents in Johannesburg, South Africa. He took his first steps under the wing of the ANC, doubtless becoming politicised without know-

ing anything about politics. In that environment, and in that era, it was almost impossible to remain neutral. Fleeing the Apartheid regime in South Africa and Zimbabwe, his parents emigrated to Zambia, an altogether calmer climate in which their son could continue to grow and learn. Later, the Nyathi family decided to return to Zimbabwe for good. It was here that Kosi went to university. Studying mechanics and technology, he and a friend discovered the coloured oxide contained within certain stones. A number of factories already extract this and sell it commercially. Carrying out tests on cloth convinced Kosi that these colours could be just as vivid as some of the products used in conventional painting. Oxide from stones does not yield all colours, however - shades of yellow predominate. So he turned to more original materials, using flowers, plants, metal and anything else which could be rubbed together to extract its oxide. This is how his first pictorial art began in 1995.

Saying no to lessons learned

It would be unfair to view this art as opportunistic, a ploy to be “original” or “artistically different.” Kosi Nathi wanted to express himself with colours, but not just anyhow. He looked for a middle way, an artistic form utilising nature for the benefit of Nature. This would enable him to respect his deep philosophical and political reflections on our environment. For he views the world as a mantle: all the elements we use during our lifetime must come up from the roots of the earth and return back to the earth in a non-destructive form. The artist has a profound repugnance for the excesses of consumption, “learned illicitly from the West.” By creating his own technique, his art work, he is also creating an example, a precedent for saying “YES, we can do things differently” and “NO, we are not obliged to accept the way they are teaching us to waste our resources.” This is not just about raising awareness in the Southern hemisphere – it can serve as an example to us all.



The lazy market

It is not so easy to break down barriers, however, especially in the sales and exhibitions arena. Generally speaking, artists have a tendency to promote what they think will be good for them – if an artist gets good exposure, and his works are shown in the most desirable places, then Europeans and Americans tend to snap them up without even really looking at them.

A perverse situation is perpetuated, in that artists are no longer concerned with finding new ways of communicating, but instead set their sights entirely on getting to where they will be seen. In a way, Western standards predominate, and it is these which dictate what is – and what is not – considered to be proper art. We cannot accuse the sponsors or the private collectors of bad faith, but they might perhaps be guilty of a certain laziness preventing them from embracing different art forms. After all, it is not easy to question one's own values and open one's eyes to something completely unknown. Artists such as Kosi Nathi

are considered “strange” and remain almost totally excluded from the artistic set.

The long road to enlightenment

Such ostracism, however, does not prevent Kosi Nathi from gaining ground, succeeding in exhibiting and meeting the public. The most important thing, in his view, is to speak to people, to be able to explain to them and make them understand that the tastes of the big art collectors are not necessarily indicative of worth. Of course, they pay cash, but this has nothing to do with the intrinsic value of the work they buy. Patience is a considerable virtue when it comes to bringing the public round to his way of thinking, particularly in this somewhat unspectacular and elitist discipline. This is a battle he also transposes to his art, attempting to be unconventional and dazzling in his use of colour. When people become aware of the materials he is working with, their eyes open wide with a mixture of fascination and incomprehension at such an unusual artistic method. “Bizarre” is always their initial reaction, but then some of them remember that art is a constant search for the new, a never-ending quest to push back the boundaries of originality. Then the penny drops. All it takes is patience enough to give it time and sufficient passion to spread the word.

Recognition

For Kosi Nathi, the success of his work will be measured in terms of the number of other artists increasingly using natural materials as he does. Whilst in no way claiming to be a prophet, he does try to make others more aware, encouraging them to look at the environment around them and to draw on its inner reserves. It is quite probable that, throughout the world, other artists are working in similar ways. We are unaware of them, however, or at least we do not make connections with

the others, who share the same dream and fight the same battles.

(R)Evolution

At the present time, it is difficult to make an objective guess as to the future success of this kind of venture. Despite the important ecological issues raised in recent years, people do not as yet seem ready to make the radical change – our only chance of salvation, according to some – for our society to endure on this planet. There have been so many words of warning, and so much has been said to heighten awareness about nature. Yet still it falls on deaf ears. By virtue of his painting, Kosi Nathi joins the ranks of those who seek to reflect and to act, to think out and to implement new *modi operandi* as yet unknown to us. The hackneyed term “pioneer” – too often associated with commercial free enterprise – would seem inappropriate as well as anachronistic here, but we might describe Nathi as someone who is searching out new paths. There is no longer anything revolutionary about the relentless progress of new technology. Forging ahead is now so commonplace that in the end it gets us nowhere at all. Today's revolutionary, on the contrary, is the man who says “enough is enough” and decides to retrace his steps, recapture the essence of what created us by returning to nature. This act revolutionises our perception of the world. For this reason alone, the better we acquaint ourselves with the art of Kosi Nathi and the more attentively we listen to its message, the more meaningful it becomes. His painting resonates with contemporary relevance. It is a breath of fresh air, both to our senses and to our intellect.

Kosi Nathi
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On display at the “Shades of Africa” exhibition

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8TH FESTIVAL OF PACIFIC ARTS

**Noumea, New Caledonia
(23 October - 3 November 2000)**

It was a powerful image. Countless centuries ago, the first Pacific Islanders had braved the mighty ocean in search of a better life - and adventure. Their ancestors, now spread across 24 nations and territories, proudly crossed the billowing blue "sea" of fabric stretched across the stadium field to embark on a great cultural journey: the (8th) Festival of Pacific Arts.

Text and photos by Caroline Yacoe

The South Pacific Commission initiated the first festival in Fiji in 1972. Subsequent festivals took place at four-year intervals, in different countries, continuing the goal of encouraging respect for, and appreciation of, the traditional arts - especially dance. New Caledonia had been the scheduled festival venue in 1984 but civil unrest caused a last minute cancellation. Therefore the hosting of this year's festival in New Caledonia was especially gratifying to the indigenous Kanak culture.

Heavy rains delayed the opening festivities, but didn't diminish the enthusiasm, energy and pride of the participants. Before the official festivities began Papua New Guinea drummers, Samoan and Tongan singers, Tahitian and elaborately adorned Kanak New Caledonian dancers, were out in full force to welcome delegates and festival-goers alike. These artists lined the shores of New Caledonia's bay to welcome canoes from New Zealand, the Cook Islands, Wallace and Futuna and outlying districts of the host country. Safely ashore, the canoe parties joined representatives from all other Pacific entities in a parade along Aïnse Vata, the main street of this resort section of Noumea. Their destination: the aptly named "Festival Village."

It was a colourful scene, in the best sense of the word. Fijians dressed in

their distinctively patterned *tapa* (the cloth-like material made from the beaten bark of the papermulberry tree, that in many areas of the Pacific serves as clothes and has great ceremonial value); tattooed Samoans and Maori people from New Zealand bearing fantastic tattoos, Palauan men with traditional "beards" of coconut fibre attached to their chins and Ni-Vanuatu wearing elaborate headdresses mingled with New Caledonians in bright yellow clothing with red accents.

In the Festival Village each group settled into an individual *fale* - a thatched house typical of the Pacific Islands - where art and artifacts from their respective cultural regions were proudly displayed. There was no shortage of brightly colored pareaus, lavalavas, and sulus - different names for the decorated cloths used by many Pacific Islanders as dress; fine bilum bags (woven from bush material in Papua New Guinea), complex basketry works, and shell and flower *leis*. The people in their traditional dress and the wealth of local flags helped weave a colorful montage of the contemporary Pacific itself. In some fales artisans worked their skills on wood,

fabric or skin to the delight of spectators who continued to crowd the village up to the closing ceremonies. From the unique, complex three dimensional malangan style carvings - only made by New Irelanders from Papua New Guinea - to classic and contemporary jewellery, to tapas and weavings. Nearly all pieces were snapped up by festival-goers.

So popular were the main staged events that at times it was difficult to see (let alone photograph) the performers. No problem - the performers continued their acts amongst the people and other venues in the town of Noumea, or the surrounding countryside, all pleased to accommodate what the centre stage could not!

The performers, some as young as five years old, seemed to enjoy the event as much as the spectators. More often than not, the traditional dances and some rituals continued off stage. The Kanak dancers of New Caledonia



▲ *Drummer from West New Britain, Papua New Guinea*

Tuvalu Dancers ►

seemed to prefer the grounds along the beach usually reserves for the ball games. Long after the close of the day's official programme, one group of Tahitians and Rapanuians sang into the night. When the club at which they were partying closed at 4.00 am, they made their way to the beach to carry on singing and dancing. There were complaints – from birds nesting in a nearby tree – but not from the adjacent hotel! Of course no festival is complete without food – and this one had plenty. Popular local dishes such as *poisson cru* from Tahiti, *laplap* from Vanuatu and *mumu* dishes composed of yams, with pork or chicken cooked in an earth oven from Papua New Guinea were on offer alongside French crepes, ice creams, pastries and other delicacies. But it was dance that most marked the event. Whilst "Words of Yesterday, Words of Today, Words of Tomorrow" was the official theme, for many Pacific Islanders these "words" best translate into the art of movement, set to music. The Samoan siva dancers and a lovely Taupou; a young woman complete with siapo (*tapa*) dress and headdress personified the grace and delight of traditional Polynesian rituals. Tongans in the *ta'ovala* (ornamental and respectful waist skirts) and Hawaiian *hula* dancers charmingly exemplified other variations of Polynesian culture.

Massive slit gong drums from the ceremonial area of tiny Tomman Island in Vanuatu, were the centrepiece for the Namba people who danced with their elaborately constructed headdress made of bush material, incorporating pigs tusks and spiderweb (home to the spirits). By 1988 their traditional practices and arts were at risk of dying out due to missionary intervention. Fortunately a local festival reinforced customary beliefs and as their participation in this Festival shows,

Kastom today in Vanuatu remains alive and well.

There was also a nod to politics, and a gentle show of solidarity as Ethnic Fijians, Indians, Rotumuans and Chinese joined together in a tribute to Fiji's multicultural heritage. From Micronesia, audiences were treated to performances of dramatic depiction of courtship, ancient battles and myths from Guam Naru and Kiribati. Choral and contemporary music groups from the Cook Islands, Fiji and Australia;



Young Kanak dancers of the Olobat troop, Isle of Pines, New Caledonia

films and plays by Hawaii, Australian and Papua New Guinean authors added to the rich tapestry of events and made for full days and nights.

But it was the people of the Melanesian countries who shared the actual rituals at the heart of their cultural beliefs. From West New Britain in Papua New Guinea, three people were initiated into the Tumbuan Society under the knowing eyes of the Tumbuan Mask. As one

spokesman said, these rituals are not entertainment; they are the essence of Melanesian culture.

Concurrent with the Festival was the fourth Noumea Biennial of Contemporary Arts held in the architecturally spectacular Tjibaou Cultural Centre. This exhibition featured works under the theme of "our identity lies ahead of us." The art was as varied as the 100 contemporary Pacific artists representing the indigenous cultures of the area. Works ranged from the modifica-

tion or incorporation of traditional art works: of particular note were masks and a dance costume by PNG artist Venantius Gadd; a storyboard by Palauan Sam Adelbai, and exquisite basketry works by Waramin Horambe and Yvonne Koolmatrie, both Australian Aborigines. Many of the paintings, video installations and sculpture had a contemporary flavour and would be hard to distinguish from what you might see in the galleries of Europe, the United States or Australia.

The enthusiasm, cultural pride and dignity that marked the opening festivities continued throughout the festival and reached a peak at the closing ceremonies. Each of the 23 delegations all in traditional attire individually gave a gift accompanied by a dance, ritual or song to the New Caledonian government officials. Following these presentations all the representatives lined up and

marched out of the Festival. As they left the entrance gates each again gave a small performance as a personal thank you to the Kanak representatives from the outlying areas of New Caledonia. Then once again all paraded down Anse Vata the main street where they continued to dance and party into the night.

The 9th Festival of Pacific Art will take place in Palau in 2004.

Analysing the building blocks of life

The first results of the various genome research projects are in. It is predicted that analyses of the three billion-long letters of DNA found in almost every human cell should revolutionise medicine, offer insights into how populations spread around the world and help us understand how genes make us human. *The Courier* looks at the potential benefits and side-effects of the research.

Emma Young*

Public and private firms have been racing to decode the DNA found in human cells. When the first rough draft of the human genome was revealed by researchers last summer, it was greeted by many as science's greatest achievement. Former US President Bill Clinton told the world: "We are learning the language in which God created life."

Earlier this year, David Baltimore, President of the California Institute of Technology, said: "It's going to affect everyone in the world because of the way we do medicine, the ways we think about intelligence, the ways we structure our educational systems - all those things are going to be affected by our understanding of the human genome."

Medicine has the most to gain. Experts are predicting that cancer treatments will be transformed. Genetic susceptibility to infectious diseases may be determined for specific populations and analysing a patient's genome should reveal the most effective drug treatment to use.

Francis Collins, director of the publicly funded Human Genome Project in the US, predicts; "we should be

able to uncover the major hereditary contributions to common illnesses such as diabetes and mental illness, probably in the next three to five years."

But in the scramble to understand the blueprint of life, some fear that poorer nations will be exploited. For instance, a deal between Tonga and Autogen, an Australian company, to analyse the DNA of the population may end up benefiting the company far more than the people involved, say some analysts.

While most of the genome research is progressing in the US and the UK, other countries are also getting involved. Amidst a storm of controversy, India has set aside US\$20m for medical genomics research over the next five years. "Priority projects will be those that address problems relevant to India," said Dr. Vasantha Muthuswamy, Head of the Indian Council of Medical Research.

Man or mouse? Human gene pool surprisingly small

But the first analysis of the three billion or so letters that determine our genetic code has already thrown up

surprises. Published in February, the research reveals that humans have only about 30,000 genes - far fewer than many suspected. In fact, we have twice the number of genes as the fruit fly and just 300 more than the mouse. This finding has dealt a blow to the idea that genes control most aspects of human behaviour, from intelligence to personality.

The analysis also revealed that more than 200 of our genes were inherited from bacteria. "It's remarkable that some of our genome seems to have jumped from bacteria into vertebrates without going through the evolutionary trail of most of the rest of the DNA," Baltimore said. "That indicates that periodically in the lives of people, DNA actually jumps from bacteria into us."

Most human cells contain 24 chromosomes, 12 from the mother, 12 from the father. The genetic code of 3.1 billion letters is written into these chromosomes. There are just four letters - the chemical bases adenine, guanine, cytosine and thymine. Most of the code is apparently "junk." But within the chromosomes and hidden in the junk are smaller vital "sentence" units called genes. When the code in certain genes is scrambled or missing, diseases such as cystic fibrosis can result. Tiny variations in faults or patterns of genes can also help trigger more complex diseases, such as cancer.

Identifying one gene in a person's DNA code will probably not reveal much about their medical prospects unless it happens to be one of the few genes that has been identified as directly causing an inherited disease, such as Huntington's.

"You can have all the genes in the world, but what you need is to find the link between them and disease," said Allen Roses, Director of Genetics at Glaxo Wellcome.

This means identifying the proteins the genes code for and the intricate network of gene anomalies that can make someone more susceptible to a heart attack or breast cancer – a formidable task. Nonetheless, a greater understanding of our genetic code should throw new light on these tangled relationships. How genes interact with environment to cause disease, intelligence or personality will be even tougher to tease out.

records and family histories will help them identify genetic causes of illness. In February, the company announced that it had found a gene linked with schizophrenia.

The 102,000-strong population of Tonga is almost entirely of Polynesian descent. Autogen has struck a deal with Tonga's government to set up a disease database and to collect blood for DNA analysis. In return, it has pledged to build health centres and pay out a share of any profits. What proportion of profits, however, has not been revealed. Lessons from Tonga may not necessarily apply to people around the world.

As Australian geneticist Stephen Harrap told *New Scientist*:

"Some genes are present only in certain populations, and are only relevant if they are being triggered by certain environmental conditions."

Analysis of the genomes of animals will be crucial in working out the function of important human genes, say scientists. In March, Venter's Celera – a private com-

pany based in Maryland – announced that it had sequenced the genome of the mouse. Because mouse genome is so similar to human's, and because a wealth of medical research on mice has already been done, it should provide a "Rosetta Stone" (the famous stone uncovered in Egypt, written in hieroglyphs, ancient Greek and demotic, which enabled scholars to decipher the meaning of hiero-

glyphs) to help scientists read human DNA.

It could all be in the numbers...

One area of medicine that should see a substantial improvement as a result of the human and animal genome projects is drug treatment. Tiny genetic variations between patients can make the difference between a drug working, failing or causing terrible side effects. In 1994, negative drug reactions were the fourth highest cause of death in the US.

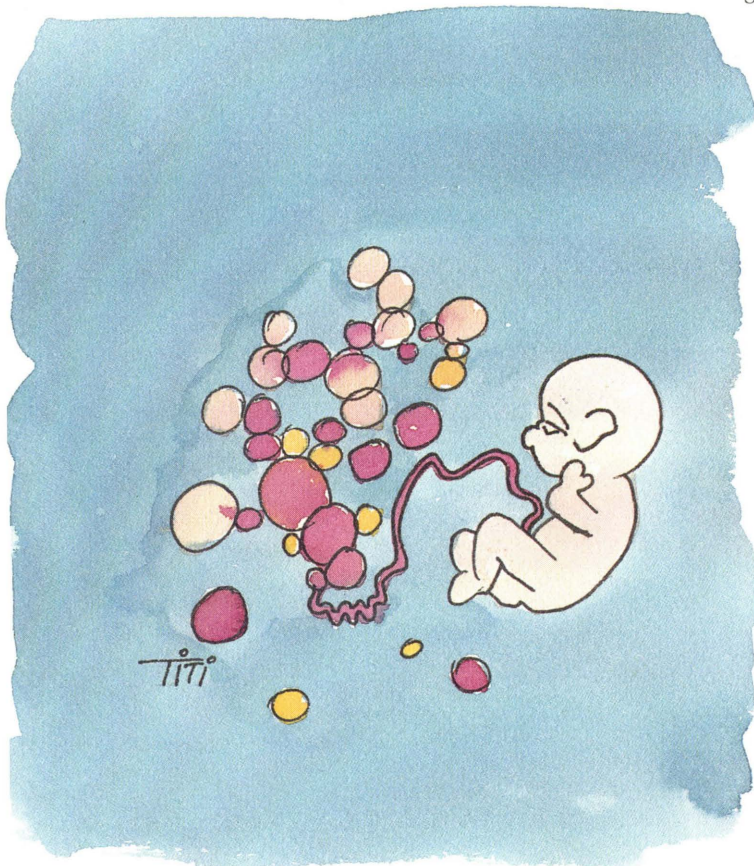
Analysing a particular patient's genome should reveal the most effective drug to use. Doctors say this alone should make a huge impact on medicine. The signposts doctors will look for are called SNPs (single nucleotide polymorphisms) and account for the 0.1% of your DNA that makes you unique.

The Human Genome Diversity Project hopes to study the variations in this 0.1% that make us unique to learn about our biological history. It might also reveal important clues to treatments for disease. Certain ethnic groups are more vulnerable to diabetes or malaria, for example. Genetic studies of people from around the world are vital if we are to really understand the causes of some killer diseases.

Much of human history has been – unfortunately – preoccupied by differences in race. One of the implications of the discovery that every person shares 99.9% of their DNA with everyone else is that there is no genetic basis for race, say scientists. It appears just 0.1% of our genes are involved in determining differences between one person and the next, such as appearance and susceptibility to disease.

Benefits could go to richer countries first

Analysing SNPs is currently time-consuming and expensive. In fact, the medical breakthroughs that will result from the human genome analysis



Isolated populations may hold the key... or not

Studies of relatively isolated and genetically "pure" populations, such as Iceland's, may help. The Iceland-based gene company deCODE Genetics has signed a deal with the Icelandic government to use genetic information. It says careful medical

will certainly benefit richer countries first, say analysts, in part because poor countries won't be able to afford gene therapies. Some point out that the genetic material used by both the commercial and publicly funded genome groups was from only a relatively small number of people.

But there are groups who hope to analyse DNA from people around the world. The Human Genome Diversity Project is a joint effort by an international team of anthropologists, geneticists, doctors, linguists and other scientists to document the genetic variation of humans living thousands of miles apart. This will help our understanding of the genetic makeup of all humanity, they say – not just some of its parts.

The Indian government has

announced its determination to probe DNA for information about diseases relevant specifically to India. Projects likely to get support will relate to the search for new drugs for malaria and tuberculosis, and to genetic susceptibility to infectious diseases. Oral and cervical cancer will also be targeted.

Indian health officials say the costs of the new research will not impact on other key health goals, such as combating leprosy. But some analysts have noted that funding for malaria in the 2001-2002 health budget has dropped by £2.3 million, and by £1 million for leprosy. Hence the controversy.

They caution that countries with relatively small medical budgets should be wary of rushing into medical genomics without having a clear

focus and a picture of how the research will benefit the population. "Having too many new centres for genomics is unwise," warns Professor K. Vijay Raghavan of the National Centre for Biological Sciences in Bangalore. "They eat up resources with dubious possibilities of returns."

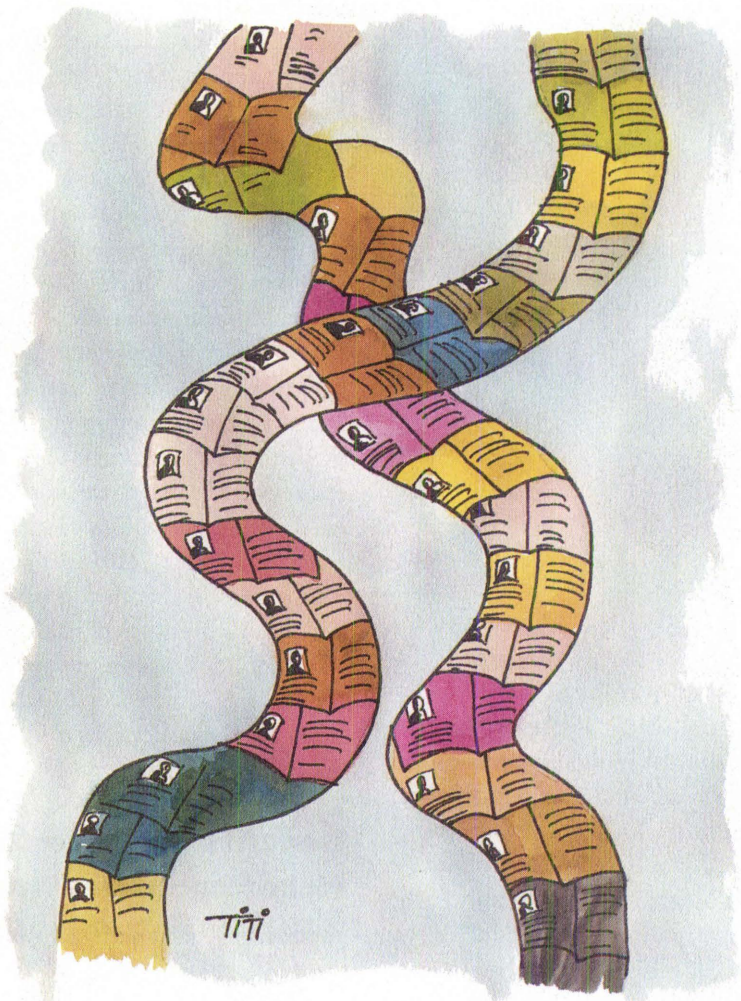
Magic of discovery clouded by acrimony

The issue of who will pay for what research and what genetic data will be available free of charge is a bitter one. Acrimony between the public and private groups working on the human genome sequence and analysis has been rife since the research began.

In 1998, Craig Venter announced that he would decode the genome in three years at a tenth of the public cost. At the end of the day, the public and private sequences were unveiled simultaneously at press conferences around the world. Data from the Sanger Centre in the UK, Francis Collins' lab in the US and other publicly funded labs is available free to any researcher. Celera, a private company, is insisting it should retain the patent on its sequences.

"It's depressed me all along that there's not a completely altruistic view to the way the genome's being handled," said John Sulston, Director of the Sanger Centre, when the first analyses were published. "This is about important issues – the release and use of our genome."

As Sulston said, when the rough draft of the genome was published last February: "We've now got to the point in human history where for the first time we are going to hold in our hands the set of instructions to make a human being."



* *New Scientist*



THE GAMBIA
NO PROBLEM

Country report
The Gambia



The Courier

Fantanka* for The Gambia

Everywhere in the city, young people offer passers-by oranges to quench their thirst. People stop willingly, carefree, reflecting the image of The Gambia today: an image of rediscovered hope. The government in power in Banjul, initiated by a bloodless military coup and since vested with all the appropriate constitutional forms, has retained control and will celebrate eight years in power next July. During those years, the President has had to impose his authority within the country, confirm his presence regionally, and recover the trust of the international community. All this with a single objective in mind: ensuring that the mechanisms of development are in place to enable all Gambians to benefit from them in due course.

by Aya Kasasa

18 February 2001

"It's like a tongue of land in the heart of Senegal..." Living as they do in a virtual enclave, Gambians have had enough of being defined in terms of their neighbouring country. On the west, happily, the country is open to the Atlantic Ocean, and over its entire length flows the river Gambia, dividing the country in two - north bank and south bank. Banjul, the capital, stands on a peninsula at the river's mouth. This was the first British colony in Africa. In the early 1960s there were plans to merge The Gambia with Senegal, but the project came to nothing, and The Gambia achieved independence in 1965 under the Presidency of Dawda Jawara. The country practised democratic pluralism after achieving independence, and adopted a written constitution before becoming a republic in 1970, following a second constitutional referendum. Federation with Senegal was again attempted during the 1980s, but the cultural differences resulted in its breaking up in 1989. In 1994, Jawara was driven from power by a military coup led by Yahya Jammeh, who is still head of state.

The whole of The Gambia is celebrating the 36th anniversary of its independence. For the first time, the festivities are taking place at local level, enabling every individual to enjoy processions, songs and speeches, meticulously prepared over a period of many weeks, in their own home district. In Banjul, the Mayor, keenly interested, climbs up on a dais and makes a speech before inspecting the Guard of Honour, a parade of the security forces, and another parade made up of representatives of charitable organisations and primary and secondary school children. Traditional groups will also take the opportunity to introduce themselves to the crowd. A strange atmosphere is created by these subtle reminiscences of the colonial days, with the very 'British' costumes mingling with groups of villagers with their protective amulets. This bustling scene provides a foretaste of the celebrations to be held in a few months' time, marking the celebration of President Jammeh's accession to power on 22 July 1994. To the surprise of observers, Lieutenant

Yahya Jammeh became Africa's youngest head of state at the age of 30, having overthrown Dawda Jawara. The United Kingdom, as the former colonial power, sounded the keynote: it was confident that democracy would soon be restored. But it proved not to be so easy: all aid was frozen, and The Gambia found itself back on the blacklist of countries where tourists were strongly advised not to go as their safety could not be guaranteed. As a result, The Gambia saw an alarming decline in its foreign currency reserves, after over a year of isolation and a drop in tourism of over 50%. The international press had no hesitation in using somewhat unattractive adjectives to describe the new head of state and his government, condemning the country's lack of democracy and the high opinion of themselves allegedly cherished by the President and his 'boys.' Everything they did was the target of sharp criticism: the building of the Arch of 22 July, commemorating the coup d'état and adorning the main street of Banjul, cost too much; why build a hospital at Farafenni, what was the use of the new airport at Yundum? Calm

and sure of himself, the young President carried on regardless. Repeated complaints of summary arrests and human rights violations seemed to leave him unaffected. Before organising the first presidential election since the coup, in September 1996, Yahya Jammeh was fond of saying that he had no plans to pursue a political career. But, even as he said so, he was banning the main civilian parties and closing the ballot to politicians associated with the former government. Then he announced his intention to stand at the election at the head of his party, the APRC (Alliance for Reorientation and Patriotic Construction). Ex-Colonel Jammeh won the election with 56% of the votes cast; the provisional Military Council that had run the country since the coup was dissolved and replaced with a cabinet. The new President was glad to “answer the call of the people.” And indeed, the people are appreciative of their leader - the President is relatively popular in his country. “You should have seen Banjul under Jawara,” explains an excited man of about thirty years old. “It was just a village! You see these roads? That’s Jammeh! Security today, that’s Jammeh! We have schools, we can get health care, and the tourists have come back. ...”

Social tendency

Whatever dissidents may say, these major projects help to enhance the image of the authorities in the eyes of the people. Although there is still a long way to go, the government of The Gambia can indeed claim a number of significant achievements on the social front. Primary education is free for all, and pupils are picked up by a network of buses. It is no longer necessary to send children to school in the capital, which has reassured parents and enabled more girls to pursue an education in the middle and secondary schools. According to statistics published by the UNDP, the number

of registered pupils has increased from 59% in 1990 to 71.7% in 1998-1999. There is still a problem, though, with secondary education, where the numbers attending are still too low: 39% at present. Convinced that efforts at development can only be achieved with a well educated population, the President has worked to establish a university. Tertiary education is provided by five institutions: The Gambia College, The Gambia Technical Training Institute (GTTI), The Gambia Telecommunication and Multimedia Institute (GTMI), the Rural Development Institute (RDI) and the University of The Gambia. All these major achievements have marked the institutionalisation of the regime, and reflect the effects of a work programme known as “Vision 2020.” This document sets out, sector by sector, the country’s long-term objectives, which are all entirely compatible with those of the Global Programme on Governance. The aim is to strengthen participative democracy and the structures of governance, with a view to laying the foundations for economic growth and human development in The Gambia.

The calm before the ballot?

While awaiting the presidential election, which should be held before the end of the year, the President and his party are making sure that they hold firm control of the machinery of state and the public administration. The atmosphere is said to be tense, following outbreaks of violence during the year 2000, with strikes and confronta-

tions between rival factions. Sidia Jatta’s PDOIS is the only political party to have survived the 1994 coup. Three major opposition movements are still banned: the UDP and a smaller opposition group, Hamat Bah’s National Reconciliation Party (NRP), are the most likely voices to be heard today on the opposition side; the UDP has six seats in Parliament and the NRP two. However, they still need to put forward a convincing political agenda, because they have been accused of doing nothing more than criticise the government in order to obtain popular support. They also complain of their lack of access to the national media, and believe that the forthcoming elections will not be held under the requisite conditions of transparency: the last local elections were put off until further notice, and the Constitution is to be amended at the request of the governing party in order, it is said, to improve its chances of retaining power. Furthermore, in June 2000, Mr Darboe and 24 members of his party were accused of murder after the death of a government sympathiser during clashes between APRC members and the UDP delegation.

The independent press, too, is not entirely happy. Journalists say they have been under constant pressure since 1994, and there have been a number of arrests and reports of intimidation.

Observers, then, are anxious about the country’s security. It is difficult to steer a steady course. On 10 April 2000, several hundred secondary-school pupils staged violent demonstrations, especially in the capital, looting and ransacking vehicles and government buildings, including The Gambia TV headquarters. They were protesting against the death of one of their number in a fire service barracks a few weeks earlier, where they were convinced that he had been tortured. The demonstration, inflated by other young people, degenerated in the



The Arch of 22 July in The Gambian capital

course of a series of clashes with the security forces: several demonstrators were killed, as was a Sud FM correspondent in Banjul. Some people believe that the security problems are getting worse: the demonstration was held at a time when the President was on a foreign visit, and added a further chapter to the abortive coup last January and plans to destabilise the existing government. It remains to be seen how the Gambian President will react in an attempt to prolong the honeymoon period he seems to be enjoying with the people of the country.

Africa's dragon to-be?

The government has given itself some twenty years to achieve its aims. One strong advantage is the port of Banjul, which occupies a key position as the gateway to the hinterland and the sub-region. The Gambia is an open economy, poor in natural resources. The two main sectors of the economy are agriculture, with the production and export of groundnuts, and trade, mainly re-exporting. According to the Secretary of State for Agriculture, Hassan Sallah, it contributes 22% of the GDP and employs over 75% of the workforce. That is why the GDP growth rate fluctuates colossally from year to year, depending on farm productivity. Most of the country's foreign currency comes from groundnut exports and from tourism. "But our country has to improve its prospects as regards self-sufficiency in food and in control and management of water, so as not to be dependent on rainfall." A number of agricultural programmes have been implemented with a view to providing a better response to the sector's needs.

The country imports a large proportion of the food it needs, all its fuel and capital goods, and nearly all manufactured articles. In future, the eco-

nomie growth rate is predicted to be around 5% if weather conditions are favourable for agriculture. The government has spared no effort to find solutions to last year's problems with trade and tourism, when GDP growth in real terms slowed to 3.4%. International aid, tourism and the re-exportation business are likely to remain the driving forces behind the economy. The government has been making efforts to revive the groundnut industry, which is expected to generate increased income. A further step, perhaps, towards the government's stated ambition of transforming the smallest country in West Africa into the "African dragon."

neighbours are concerned, The Gambia maintains friendly relations with the Nigerian giant and with Sierra Leone. Nigerian support, incidentally, proved crucial when the donors pulled out in 1994. In addition, The Gambia's leader also maintains privileged links with some Middle Eastern states and has visited Cuba and Taiwan on several occasions.

Banjul also attaches importance to its role as a mediator in the conflict between the Senegalese government and the Casamance rebels.

"Nipped like a banana between the teeth of Senegal" is the description of The Gambia by historian Joseph



A part to play on the international stage

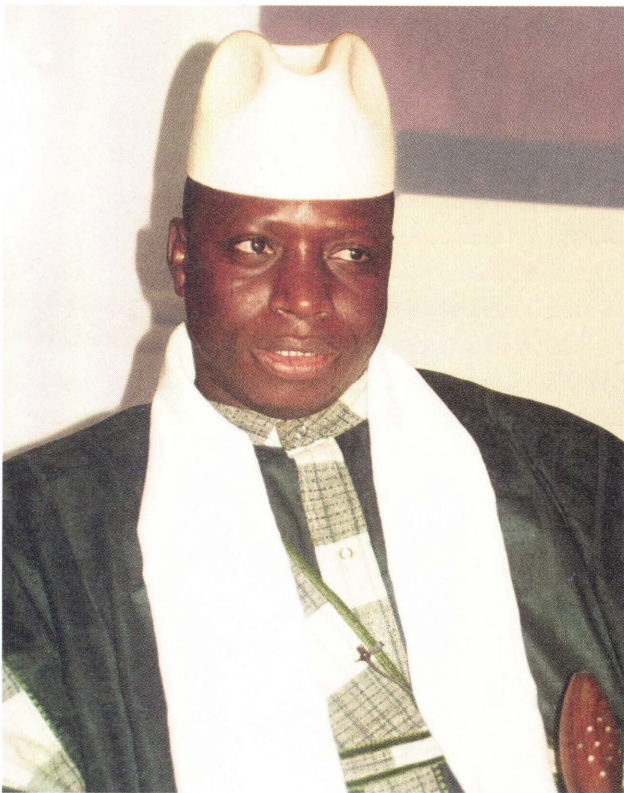
In 1998, The Gambia successfully returned to the international stage, putting an end to four years of isolation: it was given a seat among the non-permanent members of the UN Security Council. All links with the country's former donors have also been renewed. Another good point is the IMF's approval of the granting of structural funds after a break of seven years. As far as its relations with its

Ki-Zerbo. He might have added "and securely plugged in to the west of the continent": a strategic position that surely offers the prospect of a successful future!

* "A better life in the future"

INTERVIEW WITH DR ALHAJI YAHYA A.J.J. JAMMEH, PRESIDENT OF THE REPUBLIC OF THE GAMBIA

“We should take the lead in our own development”



Kanilai is a couple of hours by road from the capital, Banjul. There the President is at home, relaxed, surrounded by family and friends in the village where he was born. If one hadn't already met him in full state dress, it would have been difficult to recognise that this young man, at ease in a peaked cap fashionably worn, is the Head of State. He was keen for us to visit him in what detractors call his “palace”. This was a simple but spacious villa surrounded by shaded gardens. Among the crowds he waves away with irritation his bodyguards and talks to the people to whom he owes his position. Back in his villa he talks about his hopes for his country's development.

We asked him what he felt his government had achieved since 1994.

The major achievements as far as I am concerned are in the education and health sectors because an ignorant nation cannot survive and a sick nation can never hope to develop in this new millennium. The basic problem of Africa today stems from ignorance. If you want to develop Africa and get rid of all the unnecessary conflicts you have to get rid of the recipe for them, which is ignorance. Therefore we have to educate the people. We have succeeded in providing a university accessible to all Gambians. We have also built secondary, junior and primary schools throughout most of the country to ensure that as many children as possible go to school under the control of their parents. As for the health sector, The Gambia has now more than 250 doctors. I am also satisfied with the progress we have been making in agriculture, but we have not yet achieved what I hoped for. That is not only self-sufficiency in food but also food exports. There is no reason why we should not reach that objective in due course.

Poverty reduction is the central objective of the new ACP-EU partnership agreement.

What is your Government doing to fight poverty and prevent the poor from being left behind in the country's development?

Poverty can be overcome in this country if we are all determined to get rid of it. We are educating people to be aware of the roles they have to play. We cannot sit in our “bantabas” (meeting places) and expect manna to fall from heaven. We have to get people back to the land, to the sea or wherever they will be able to earn a living. No matter how great the resources put into poverty eradication either by the Government alone or by the Government and the EU, if people decide not to work one cannot get rid of poverty. For example, most small businesses (stalls at the market, retail shops) are owned by foreigners. The only Gambians you find in this sector are women. Fisheries is a highly revenue generating activity but 98% of the fishermen are non-Gambians while the youth of this nation sits waiting for government to help them. On a personal note my Foundation is helping those who are involved in sustainable and self-created employment. But, as I said,

ignorance is the main problem. We have certain socio-cultural values and negative traditional beliefs that are inimical to development. A man would prefer to sit and do nothing than to become apprentice to a blacksmith, because it is taboo. But that does not prevent him eating from the cooking pot made by the blacksmith.

It is only five years since you announced your Vision 2020 programme.

How far has your Government gone in laying the foundations of a "highly developed model country"?

We have laid a solid foundation with the establishment of the University of The Gambia, a *sine qua non* for achieving Vision 2020. We are making sure that the curriculum is relevant to our development. After the Medical school we are also preparing the opening of a Law School. At present 99% of the medical specialists and 98% of the members of the judiciary are non-Gambians. The foundation for a highly developed nation is to ensure that its laws are indigenous laws, enforced by indigenous people who

share the same culture. We have to make sure that we are independent because The Gambia cannot in the long term afford foreign experts, although at present they are mostly here on technical assistance. Remember also that we live in a global village and that priorities change. Comparing today's Gambia with the country five years ago you will see many differences – for example developments in infrastructure. What is important for The Gambia is not to dream but to realise dreams. The building of road networks is high on the agenda because without communications there can be no development.

Do you think ACP and EU countries are well suited as partners in trade and development?

I do believe so. History makes Europeans understand Africa better than others. They know the constraints of Africa and are better suited than others to help the ACP countries solve their economic problems. It is really not possible today for any country to operate in isolation. Europeans know the problems, some of which they created and left with us. Some of the problems we created ourselves. So if we can sit down together and map out strategies we can find solutions together. We still have a long way to go. The partnership is here to stay but we Africans have to take the lead in developing our continent. The EU's efforts should be complementary to our own rather than the other way round. I believe we should take the lead.

There is much talk these days about the difficulty of stamping out corruption.

What can you say to those who believe that it is still rampant?

Corruption is a state of mind. It is still a consequence of ignorance. Unfortunately today in Africa you are held in high esteem because of your wealth. People think the only way to succeed is to become rich. Some people would do anything to become "somebody", even at the country's expense. Remember that 30 years of corruption and nepotism cannot be wiped out in five years. It came to the point where if you were not corrupt your people would say you had no *"faida"*, that you were aimless. We have managed so far to minimize corruption. That is why we are continuing with the Commissions of Enquiry, because that is the only way we can stamp it out. It saddens me that the name of Africa is synonymous with poverty, backwardness, HIV and Aids, wars and refugee camps, despite the fact that Africa is rich in natural resources. Unless we fight corruption these resources will benefit few people in the continent and many outside it, to the detriment of the African masses. Corruption is a reality and in The Gambia we are fighting it tooth and nail. It is a difficult fight but we will not give up.

President Jammeh during a traditional wrestling tournament at Kanilai



How do you feel about the role of the opposition in Africa in general and The Gambia in particular?

The opposition can be an effective and important partner in development. The purpose of opposition is not to destroy what little people have by instigating violence, treating government with contempt or personalising issues. The office is bigger than the President. Unfortunately some parties base their campaigns on tribalism. They develop so much hatred against government that whatever government does is bad. It reaches a point where they personalise their agenda. The opposition should put pressure on government to deliver, but should not pose as enemies of the ruling party. The opposition can be a good catalyst for socio-economic development.

But the opposition considers that democracy is not working well in The Gambia. What do they blame you for?

They blame me for trying to provide the people of this country with what they need, to the extent that they will have nothing to talk about. They blame me because I am where they think they should be. The mere fact that they can insult me and get away with it means that there is democracy, freedom of expression and tolerance here. We used to have two newspapers and they could not say a quarter of what the five or six newspapers can say today. These opposition leaders are here because I am a democratic leader.

You are trying to strengthen your ties with Senegal. What are the major constraints?

There is no major constraint. Following my recent visit to Senegal at the invitation of President Wade, both parties have dispelled all clouds of misunderstanding hanging over The Gambia and Senegal. The Gambia is the single biggest contributor to the Senegalese economy in the whole of the African continent. For the past seven years, all our multi million-dollar contracts such as the new airport, Farafenni Hospital, the Kerewan Bridge, Banjul roads, Farafenni-Kerewan roads and the coastal roads have been awarded to Senegalese companies. There are

The major achievements as far as I am concerned are in the education and health sectors because an ignorant nation cannot survive and a sick nation can never hope to develop in this new millennium

more than 350,000 Senegalese living in this country and they have been exempted from paying for an alien's certificate.

I have put my personal resources and government's resources towards almost bringing to an end the conflict in Casamance (in Southern Senegal). We had reached a situation where, for the first time since 1980, all parties were able to campaign peacefully in Casamance – largely due to our efforts.

Gambia's position must be understood. As a guarantor to the peace process, we need a mandate from both sides to continue mediating between

the two parties. Since I have been given the mandate I will do my best to solve the problem, to continue to mediate. Had we continued with the Banjul Peace Talks we would have been thinking by now about the rehabilitation and redeployment of the members of the disbanded Casamance Separatist Movement into civil life. All we want to see is an end to the war so that we can all live in peace.

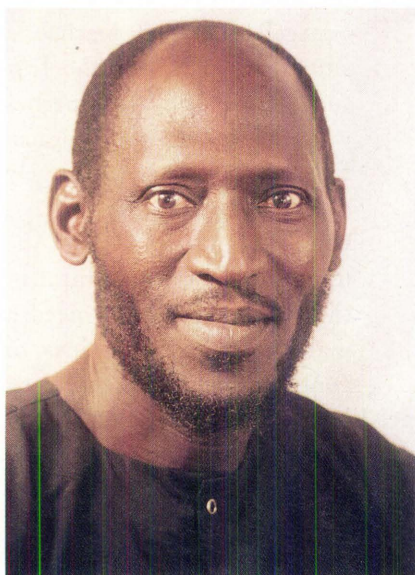
The Gambia has privileged ties with some Arab countries. How supportive are they to The Gambia's development process and how important is Islam to The Gambia?

We have very good relations with all the Arab countries except Iraq. But contrary to what people might expect there are only one or two Arab countries which can be compared to western countries in providing assistance to The Gambia. If they help us it is all well and good. But we also have other, non-Muslim friends who are helping us more. Some countries that are not our best friends are helping us more than our friends.

Talking about religion, Islam is very important to the country and so is Christianity. Not only Islam but all religion is very important in this country or any country, and for any individual for that matter. Religion imposes self-restraint and self-discipline, and inculcates the values of honesty and modesty whether you are a Christian or a Muslim. Our relationship with Arab countries is not based on Islam. Islam belongs to all of us.

Interview by Aya Kasasa and Mamadou Tangara

“We favour the peaceful coexistence of political parties”



Following the 1994 military coup which ousted the 32 year rule of the People's Progressive Party (PPP), the so-called 'decree 89' banned political parties. This measure was roundly condemned by opposition and opinion leaders. Following Presidential elections in 1996, followed by legislative elections in early 1997, there was a nominal return to civilian rule. President Jammeh repealed the decree in 1996, but three pre-coup parties are still proscribed: the PPP, the National Convention Party (NCP) and the Gambian People's Party.

Article based on an interview by Mamadou Tangara

Sidia Jatta, leader of the People's Democratic Organisation for Independence and Socialism (PDOIS), believes that a multiparty system is in place in The Gambia. A vibrant opposition exists, he says, but "there is still restriction on certain individuals and parties that is not in consonance with democratic practice."

"The creation of movements that started to function as quasi-security forces outside the ambit of the law in favour of the party in government contributed to a climate of insecurity for some time prior to the dissolution of the Movement." (The July 22 Movement which had branches in all villages and towns in the country, was the militant youth wing of the ruling APRC).

"The country has a Constitution which has created clear separation of powers and independent institutions such as the Independent Electoral Commission, the Ombudsman, a National Council for Civic Education and so on. What is lacking is total commitment by the government to make these institutions work in order to enhance a democratic governance environment."

His party is respected in The Gambia, he believes, irrespective of party affiliation, because "it strives to win support on the basis of its programmes and not on the basis of ethnic, religious or other sectarian considerations."

His party is concerned with "the lack of development of the productive base of the economy to ensure enhanced income for the farming community and generate urban employment."

He believes the government has been "unable to sustain a predictable trade environment for the producers of the main cash crop of the economy. It has been unable to diversify agricultural production. There is no sign of development of processing industries. Unemployment

is skyrocketing. Rural-urban drift is still the order of the day."

"Government's socio-economic policies are one-sided. They do not seem to see the link between economic development and social development. Many social institutions such as schools and health facilities are being established without any proportionate development of the productive sectors of the economy. What is clear is that direct foreign investment is not growing and the private sector is not investing in agriculture or the processing industries. The banks are experiencing increasing numbers of bad debts. Interest rates are high. Investment from the private sector is negligible. The public sector is now subjected to a divestiture programme. The trend is towards economic contraction. The country is being left with neither a productive private sector nor a productive public sector."

Agriculture

The Gambia remains highly dependant on agriculture, and traditional subsistence farming. The main cash-crop remains groundnuts, which takes up around 45% of the country's arable land and involves most of the country's farmers. Groundnut harvests are variable at the best of times, because of vulnerability to weather conditions. But last year, the country's economy was badly hit by the groundnut season because of marketing problems. As a result, groundnut trade deteriorated and reached the worst level for over a decade by registering a decline of 20%. Mr Jatta warns against over-dependence on this primary product.

"The groundnut sub-sector has to be linked to a processing industry in order to produce value-added products. This would increase earnings from the sub-sector through the exportation of oil,

groundnut cake and other by-products. "This sub-sector, however, should not be the mainstay of our agricultural production. Its foreign exchange earning capacity should be buttressed by diversifying agricultural production for both home consumption and for export. The primary objective of the agricultural base should be to promote food self-sufficiency and security."

Cohabitation?

Would his party be prepared to enter government if invited? Would he favour a cohabitation arrangement with the current government?

"Our party has already been invited to enter government. It rejected the invitation because The Gambia has a cabinet system. The cabinet is responsible for decision-making and all members of cabinet are collectively responsible for the decisions and actions of the government. PDOIS cannot enter government and be a minority there. This would mean taking responsibility for another party's policies and actions that may be diametrically opposed to actions and policies promoted by our party.

"We favour the policy of peaceful co-existence of political parties, equal access to the media and equal opportunity to criticise each other's programmes so that the Gambian people can make enlightened choices."

Corruption

The government has pledged to launch a vigorous fight against corruption. What progress has been made on this front?

"The constitutional mechanism exists to ensure safeguards against corruption. The office of the Auditor General has been strengthened to launch the fight. One however doubts government's commitment since the executive has been interfering with the administration of the office. This vacillating trend of the government in making pledges and establishing commissions of inquiry to look into concerns only to interfere with one thing or the other

undermines public confidence in pledges made by the government."

Mr Jatta believes that the judiciary is relatively free from political influence.

"What is abundantly clear is that members of the judiciary have been guarding their independence very jealously and the public still maintains confidence that the judiciary has been striving to safeguard itself from political encroachment. Nevertheless, there have been terminations of the services of people associated with the judiciary, deemed to be politically motivated. The government's respect for the independence of the judiciary is questionable to a certain degree because of its pronouncements."

What The Gambia needs

It has been said that in Africa all political parties sing the same song, with a difference only in the tune. Mr Jatta does not believe this is restricted to Africa: "That is a stereotype of political parties in Africa. In many countries in the world, politics of personality and patronage remain. This leads to singing the same song in different tunes. In our view, The Gambia needs a leadership which is opposed to extravagance. It requires an economy with productive public enterprises without necessarily crowding out productive private enterprises. This will enable the public sector to derive resources for social development without over-burdening the private sector or the people with high levels of taxation.

"We stand for the involvement of the people at the local level in project identification, management and execution. In this way social auditing of projects would be institutionalised and diversion of resources averted. We stand for the empowerment of the people by utilising the media to make them understand their rights, and the functions and performance of all public institutions. This agenda is fundamentally different from that of other parties in the country."

Poverty

The Gambia ranks 163 out of 174 countries in the UNDP's 2000 Human Development Report. Literacy rates are lower than the Sub-Saharan average, life expectancy lower than neighbouring countries. What is Mr Jatta's assessment of the situation?

"Poverty is on the increase because of the lack of a clear policy framework on how to develop the productive base of the economy. The government simply asserts that it is committed to a private sector-led growth but nothing has been done to prove to the Gambian people that such a policy is impacting on poverty reduction."

As a heavily-indebted country, The Gambia has qualified for support under the Heavily-Indebted Poor Countries (HIPC) initiative. Over 30% of budgetary spending goes on debt servicing. Mr Jatta is concerned at what he sees as increasing indebtedness and the resulting unsustainability of social services.

He believes that the government has failed to take advantage of national media as a means of educating and empowering the people.

Peace broker

The Gambia has tried to have a role as a peace broker in the sub-region, facilitating peace talks between the government of Senegal and the MFRD (Movement of the Forces of Democracy, which claims independence for Casamance in southern Senegal). Gambian troops serve with ECOMOG, the military force created by the member states of ECOWAS.

"The Gambian people have shown a great degree of tolerance for refugees. This has enhanced The Gambia's capacity to be a peace broker in the sub-region. To enhance this role, any government of The Gambia should be fully committed to the creation of a governance environment which will enable the people to determine their manner of governance freely and participate in managing the affairs of their country. The promotion of internal stability through adherence to the principles of democratic governance would enhance the country's moral authority to be a peace broker."

Empowering the people

EU-The Gambia cooperation

“They come with their projects, go with their projects and leave us with our problems,” said a Gambian farmer last year at a meeting about EU development projects in his country. He stressed that local people should be empowered to decide for themselves rather than have other people’s decisions imposed on them.

by Mamadou Tangara*

Past experience has shown that the reason for most project failures has been that the intended beneficiaries never felt a sense of ownership. So local communities were left with their problems and a deep sense of frustration. More recently the Support to Decentralised Rural Development (SDRD) programme has demonstrated through some of

its achievements that the only effective way to reduce poverty is through a participatory approach.

How it started

Cooperation between the EU and The Gambia started more than 25 years ago with the signature of the first Lomé Convention. In the 25 years since then The Gambia has had access to significant funding for

development projects under the National Indicative Programme (NIP) and the Regional Indicative Programme (RIP). It has also received other funding under financial instruments like the Structural Adjustment Facility, STABEX, EU Budget lines and the Fisheries Agreement.

Supporting fisheries

The early years of EU cooperation with The Gambia were focused on “artisanal fisheries” in the Western Division of the country. There were three successive projects benefiting six coastal villages. Apart from the provision of infrastructure and training, the programme generated and continues to generate income for women through their involve-

Supporting horticultural activities through special projects for women



ment in the smoking and marketing of fish. These projects are now an established part of the local economy. They provide a source of income to coastal villages and help in the distribution of fish to balance the protein-deficient diets of The Gambian hinterland, and even beyond to neighbouring land-locked countries.

Moving into horticulture

The original support given to the women of Western Division by the artisanal fisheries project was extended in the late 1980s to support horticultural activities through the Women's Vegetable Gardens Project. This provided seeds, tools, credit, water supply, fencing and technical assistance to women's groups. These groups supplied a growing local market and some of the hotels in the Tourist Development Area. They even provided some produce for export to European markets. The project was popular and the demand for continued support to women's groups was later taken up under the Divisional Development Programme. This took expanded horticultural support from the coastal villages to the inland areas of Western Division.

Integrated programmes

1986 marked the beginning of re-focusing cooperation from a sectoral to a more integrated approach, leading to the formulation and implementation of the Upper River Division Integrated Programme (URDIP) in 1988 and its successor, the Divisional Development Programme (DDP) in 1991.

The URDIP targeted institutional and human resources and infrastructural capacity building (creating the capacity to cope with expansion and new developments) while the DDP focused on generating self-reliant

rural development with the full participation of local people. Up to 1998 the EU's investments for the development of The Gambia was in excess of €85 million (\$76.5m).

The 8th European Development Fund National Indicative Programme, which is the present framework for cooperation between The Gambia and the EU was signed in July 1998. It is worth €28.5 million (\$25.5m). With the aim of alleviating poverty, it concentrates on decentralised rural development and education. Resources are also earmarked for improving roads and for capacity building.

The Support to Decentralised Rural Development (SDRD) programme operates in three of the five rural divisions in The Gambia – namely the North Bank (NBD), Upper River (URD) and Western Divisions (WD). EU support is concentrated here. It seeks to consolidate and build on the achievements of the previous programmes described above (the URDIP and the DDP). The SDRD programme takes into account the recommendations of evaluation missions, as well as national policies and strategic objectives.

Its overall objective is to reduce poverty. The programme period is five years from August 1999. The total programme cost is €17.8 million (\$16m). The financing is divided between the EU (€14.8m) and The Gambia (€3.0m). The latter consists of €1.7m. from the current national budget and €1.3m., which is the estimated contribution of local communities in cash and kind.

A demand-driven programme

The SDRD's work seeks to continue a bottom-up approach. The communities are involved in identifying their needs, designing their

projects and implementing them. The villagers' involvement starts from the Village Development Committee (VDC) and leads up to the Division, after plans have been scrutinised by the Project Selecting Committees of the Ward and the Districts. These committees are made up of representatives of the beneficiaries. As a result the SDRD is making a real impact on the day-to-day life of villagers in the areas where it is operating.

The primary stakeholders are the rural communities themselves. Village and Ward Development Committees receive skills training and technical support to plan, implement and maintain their projects. Smallholder farmers benefit from access to inputs and extension services, while rural households, micro entrepreneurs and women's groups have improved access to savings and credit facilities. Secondary stakeholders include local contractors who benefit from helping to implement community projects.

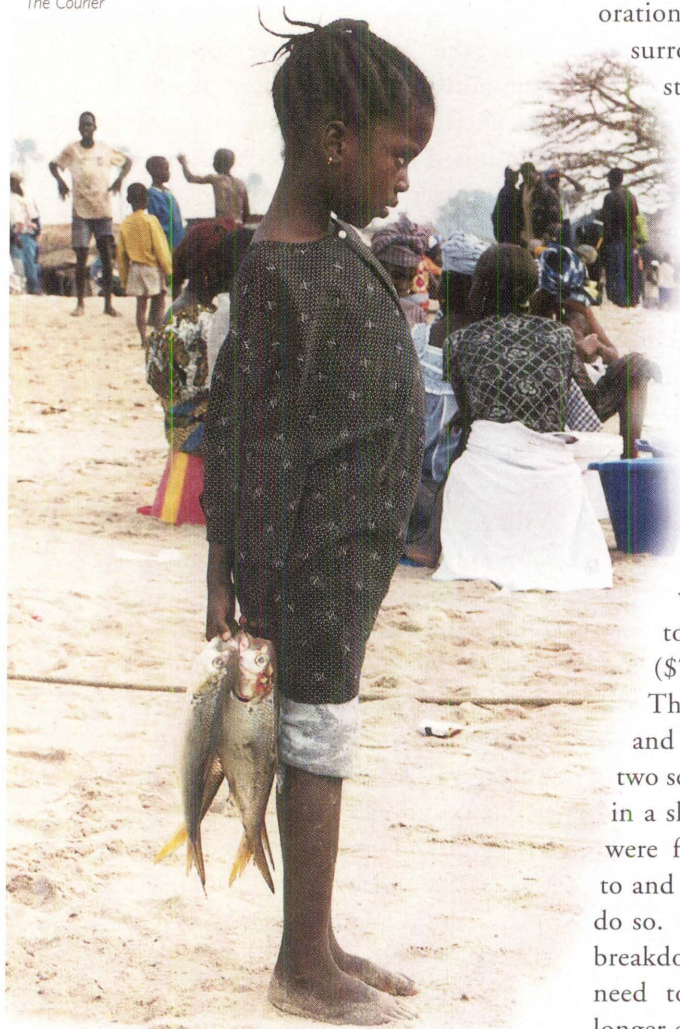
At field level, the main institutional stakeholders are the Village and Ward Development Committees and the Multi-Disciplinary Facilitation Teams (MDFTs). The latter comprise all the extension workers (both government and NGO) operating in each Ward.

Track Record

Two road projects and the case of a village – saved thanks to the timely intervention of the programme – are examples of EU-funded projects in the Upper River Division.

The Basse-Yorobawol Road is nearly 14 kilometres long and has an average width of 8 metres. It is the main link between Basse and the northern part of the URD. Its condition had deteriorated in recent years, resulting in reduced access to markets for the population of

The Courier



Fisherman's daughter from Tanji village

northern URD. The unusually heavy rains of last year further aggravated the road condition making it almost impassable even during the dry season. The rehabilitation works entailed reshaping and filling depressions along the road, and laying a gravel carpet over the entire stretch. Additional drainage has also been built.

Work was temporarily suspended during the rainy season but has now been completed – much to the relief and satisfaction of drivers, businessmen and shopkeepers, women horticultural farmers and private individuals.

The Guju Guju Bridge gets its name from the sound of gushing water beneath it in the river that

runs through the town. The deterioration of the bridge and the area surrounding it had reached a stage where further erosion would cut off this vital link – totally isolating the northern part of the URD from Basse.

Repair work entailed widening the bridge, raising the road leading to it, and constructing a block-wall drain with covers alongside the road. The road and drain components have now been completed and the bridge has been widened. This is estimated to have cost 1.2 million dalasi (\$71,000).

The result is that more vehicles and passengers now travel these two segments of the road network in a shorter time. Passengers who were formerly reluctant to travel to and from Basse are now keen to do so. Drivers are pleased that the breakdown of their vehicles and the need to find spare parts are no longer a frequent occurrence.

The entire community was on the verge of moving to a different location from the village of Dampha Kunda in URD because of soil erosion. The foundations of the buildings were severely exposed, with deep gullies of up to two metres running through the streets. With the support of the programme and the active participation of the community an upland conservation project was successfully completed, and the village land was restored.

At the service of communities

The programme has undertaken more than 150 similar community projects since January 2000. These projects have addressed the basic

needs of communities. The programme has worked within existing institutions – Area Councils, Community Development Offices, Divisional Sectoral Departments and communities at the village and ward levels.

Other parts of the programme deal with the provision of clean water for larger communities by drilling bore-holes, the construction of feeder roads for easy access between communities and the building of rural finance institutions.

The SDRD attempts to address the problems of people in poorly served areas by supporting projects aimed at upgrading social and production infrastructures. But an important condition is that they are true reflections of the needs and will of the people themselves.

A review of the SDRD programme was conducted recently and the findings are not yet published. But villagers have frequently complained about the time taken to implement some projects. The villagers move so fast that at times the programme lags behind due to cumbersome EU procedures. Programme staff find it difficult to convince them they are not themselves responsible for the delays.

In the months ahead the permanent dialogue with local people is to be intensified. This is in order to launch a programme using the substantial resources that will become available under the 9th European Development Fund. Such funding and development programmes make the EU by far the biggest donor partner of The Gambia.

** Programme Officer, Rapporteur, European Commission Support Unit*

The Gambia a trading nation

The Gambia is one of the poorest African Countries. It belongs to the group of just under fifty countries classified by the UN as “least-developed” (LDCs). It estimates its real GDP per capita at just \$456 (1998). In the UN Development Programme’s 2000 Human Development Index it ranked 161 out of a total of 174 Countries.

By Marcel Thomasi

Economically the country has never prospered. Its vulnerability to weather conditions and dearth of natural resources has resulted in large dependence on a single crop – groundnuts. Recent decline in exports has made the country more than ever dependent on foreign aid. Beyond its own exports the country has created international trade through the strategic location of the seaport and airport serving the capital, Banjul. These have served as a gateway between the West African region and the huge markets of Europe. As a small country with limited natural resources and domestic production, the government considers that the economic interests of The Gambia are best served by allowing free and unimpeded

access to the larger markets of neighbouring countries and the rest of Africa.

Current weakness

By the end of last year some growth was registered in almost all sectors of the economy. But the most important sector is trade, and that declined by 3.57%. This was attributed by the Secretary of State for Finance and Economic Affairs, Famara Jatta, to difficulties experienced in the re-export trade sector. The greatest

decline was in the crucial groundnut trade, which registered a fall of 20% to the worst level for over a decade. The Gambia has always maintained a relatively liberal trade regime, with few restrictions to the movement of goods and capital. But it has been unable, because of fiscal considerations, to comprehensively implement other policy measures, such as reforms to enhance and consolidate the advantages of more liberal trade policies.

The declining terms of trade can be attributed to a number of factors.

- Firstly, trade liberalisation has been limited or frustrated by the lack of comprehensive reform of the tariff structure (because the country has been over-dependent on taxes on international trade).
- Secondly, a number of measures could not be implemented properly because of administrative and institutional bottlenecks.



Banjul port

- Thirdly, a weak physical infrastructure has hampered efficient production for export, including that of the main export - ground-nuts.

Over and above these factors, trade policy in the Gambia has suffered from one major weakness, which is that its main objective has been to raise revenue through taxes on international trade to finance the government's recurrent expenditure.

The way forward

The government is now revisiting its policy of financing recurring expenditure through taxes on international trade. More liberal trade rules should remove distortions in the import regime and enhance its transparency. This would in turn encourage more competitive production of goods and services not only for export but also for the domestic market.

Among the specific measures to be taken, the tariff structure should be rationalised – in particular tariff disparities should be eliminated. A flexible exchange rate policy is needed in order to promote domestic competition and enhance the export base. Customs administration needs to be made more efficient in order to reduce transaction costs, boost investors' confidence and increase customs revenue. Finally the Uruguay Round Agreements should be implemented, taking advantage of the special and differential treatment for Least Developed Countries (and fulfilling the country's obligations as a member of the WTO).

On the right track

Recently the government has implemented a series of measures to give both local and foreign businesses confidence that they can realise attractive returns on their investments. For example, tariff rates on imports – already the lowest in the region – have been further reduced from a maximum of 20% to 18%. In

addition the re-shipment inspection programme has been abolished.

Strenuous efforts continue to be made to meet the Government's obligations under the World Trade Organisation and the Economic Community of West African States (ECOWAS) by introducing changes in areas such as trade classifications and customs valuations. In addition to restoring private sector confidence, these measures are intended to enhance the re-export trade and to ensure a liberal trading environment. This last is necessary to integrate the domestic economy fully into the global economic system.

Development aid

Sustainable development in The Gambia has been limited by inadequate finance. Domestic revenue increased from \$39.6 million in 1995/6 to \$51.7 million in 1999. It is projected to rise to over \$70 million in 2002. Between 1990 and 1997 gross domestic investment averaged about 19% of GDP and gross domestic savings averaged about 5.5% of GDP. This level has not, however, been enough to finance the budget for recurrent expenditure. The obvious implication is that funding for growth and development activities depends on collaboration with outside partners.

The country has over the years received substantial external aid from a large number of multi-lateral and bilateral institutions, including NGOs, and its relations with the international donor community continue to improve.

The IMF has approved the release of a further \$4.5 million (under the second "Annual Arrangement"). The World Bank, through the International Development Agency's credit facility, continues to provide vital support through rehabilitation and investment projects. In addition, an "Economic Reform Support Operation" is being developed with

the World Bank. Among other things it will concentrate on reducing domestic debt, external trade reforms, improving public resource management and ensuring that public expenditure is properly targeted at relieving poverty.

Other traditional partners include the African Development Bank, the Islamic Development Bank, the Kuwaiti Fund, the Arab Bank for Economic Development in Africa (BADEA) and OPEC. These continue to consolidate their support for the country's development efforts in areas such as livestock production and marketing, literacy and micro-finance.

The European Union provides much needed support to programmes and policies, especially in the areas of agriculture, education and roads. The Gambia has now finalised an action programme for development in readiness for the Third UN Conference on Least Developed Countries, due to take place in Brussels in May.

Foreign direct investment

Foreign direct investment in The Gambia rose to a peak of \$11 million in 1993 but dropped sharply following the 1994 military take-over. With the return to civilian rule it picked up to \$11 million again in 1997.

This upward trend was reflected in investments relating to technical co-operation, which also rose in the late 1990s. On the other hand, aid for investment projects dropped during this period.

The recently adopted National Investment Policy has outlined priority areas and the scope of investment activities. It also set out investment incentives and established their eligibility criteria. In support of its investment promotion and "free zones" policies the government has now approved a legislative framework for them.

A new lease of life

Developments over the last few months show that The Gambia is set to reclaim its rightful place on the West African music scene. Thanks to Youssou N'Dour, the style of music known as Mbalax has gained recognition in musical circles worldwide. However, very few people realise that this style first came to life in The Gambia...

Mamadou Tangara

Senegambian music prior to 1971 shows a very definite Salsa influence. One of the most noteworthy artists of that time was Gambian-born musician Laba Sosseh, whose hit single *Seyni* earned him a gold disc, the first to come out of Senegambia. He played with a number of big names in Salsa, including Monguito and the Cuban group Aragon. His hit single was later covered by Zairean artist Seigneur Tabouley and the Guinean group Bembeja Jazz National.

In 1971 the group Ifang Bondi (formerly the Super Eagles) broke new ground with their creation of the Afro-Manding sound. They introduced the tom-tom to modern music and recaptured the sound of the *Salah Yadi Mbam*, the song of humble workers who used song as a means to lighten their heavy loads.

Farewell to taboos

Gambian musicians continued to innovate. They broke all taboos by introducing into their music ideas previously reserved for the initiated. The sacred nature of Gambian music was put to another use when for the first time the group Guélewar sang of circumcision to their female audiences and Ifang Bondi enlightened male audiences as to the secrets of excision. The Ndaga style was born and found its way to Senegal, where it became known as Mbalax. This kind of music has the tom-tom playing 'second fiddle' to the Tama, a small tom-tom-style drum played under the armpit. Today, Mbalax is being promoted the world over in the capable hands of Youssou N'Dour. The last few years have seen Salsa stage a dramatic comeback on the Gambian music scene in the form of Oussou Nije Señor. After more than 20 years off the

scene, El Señor returned with the album *Faataleku* (memories), a compilation of snippets from the 1960s and 1970s in pure Salsa tradition, embellished with African sounds. The result is sweet, lively melodies. El Señor recently signed up with a big American record company, Anonymous Record. Despite a certain nostalgic, El Señor does not confine himself to Salsa. His main concern is to see Gambian music regain its rightful place on the West African and world music scenes. He is adamant that, given a little help in promoting their culture, Gambian musicians can relive their former glory.

According to El Señor, "there is no lack of talent. You've got Jaliba Kuyateh, the kora virtuoso, and Pencha B. Crew to name but two! And let's not forget, these are world-class musicians."

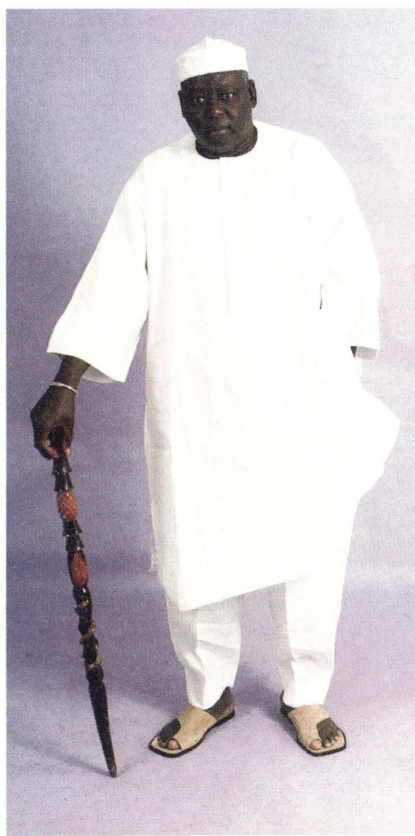
Pencha B is a group of rap artists who set to music everyday Gambian and African

events. They fuse African and western sounds and rhythms to give a clever mix of contemporary relevance and timeless tradition. Jaliba Kuyateh originally opted for a career in teaching in the state education system. A griot by birth, the call of tradition proved too powerful for him and Jaliba left the teaching profession to give himself body and soul to music. He brings together the musical instruments used by the various ethnic groups within Gambia. Conscious of the role played by culture in the developmental process, Jaliba's aim is to use music to show that, beyond any outward differences, it is possible for cultures to work together to create one large, single and harmonious society.

With his latest album, co-produced with Oko Drammeh of Soto Koto fame, Jaliba has established his reputation as a talented musician. He is accompanied by some of the biggest names in the music world, not least the percussionist Bill Summer, who has shared a stage with Michael Jackson, Quincy Jones and Herbie Hancock.

The album reflects the universal nature of his music, bringing us the hypnotic sound of the kora, interspersed with that of the balafong, the Djembe drum rhythm and the xylophone, all of which are accompanied by the golden voice of the griot, or Kumareh (golden bird): Jaliba's orchestra was formerly known as the Kumareh Band. Jaliba, Oussou Nije Señor and Pencha B have pledged to do their utmost to act as godfathers to Gambian music. To help them in this noble task the artists have launched an appeal for financial backers. They are aware of the difficult task ahead, given the nature of the environment in which the musicians work. They appreciate only too well that, for one, "there are no laws to protect the artist from piracy, and the radio and television stations play our tapes and show video clips of us without paying us a single penny." Their driving force is their love of art. Oussou Nije Señor also feels that the authorities could play a part, seeing to it that The Gambia benefits from the Cotonou Agreement's section on culture by helping to set up an institute of music. Such measures and noble intentions will secure Gambian music its much-needed second wind.

Ismaila Oussou Njie



Roots which have given him wings...

There is a sort of neat symmetry about George Haley's presence in Banjul - one of those strange twists of fate which history sometimes throws up. Kunta Kinteh could not have imagined more spectacular revenge than seeing his great-grandson seven generations removed become United States Ambassador to the very country from which he had been plucked and forced into slavery on the American plantations so long ago. We are familiar with Alex Haley, author of the universally acclaimed novel, *Roots*. Much less is known about his little brother George, the man with piercing eyes and a passion for politics, who spent years helping Alex in the search to trace their ancestors.

by Aya Kasasa

"We've come full circle!" he says, bursting out laughing. The ambassador has invited us to his residence early one morning, and we

are chatting in the corner of a pretty sitting room. He regards being ambassador as "a pleasure, a challenge and a mission. Our

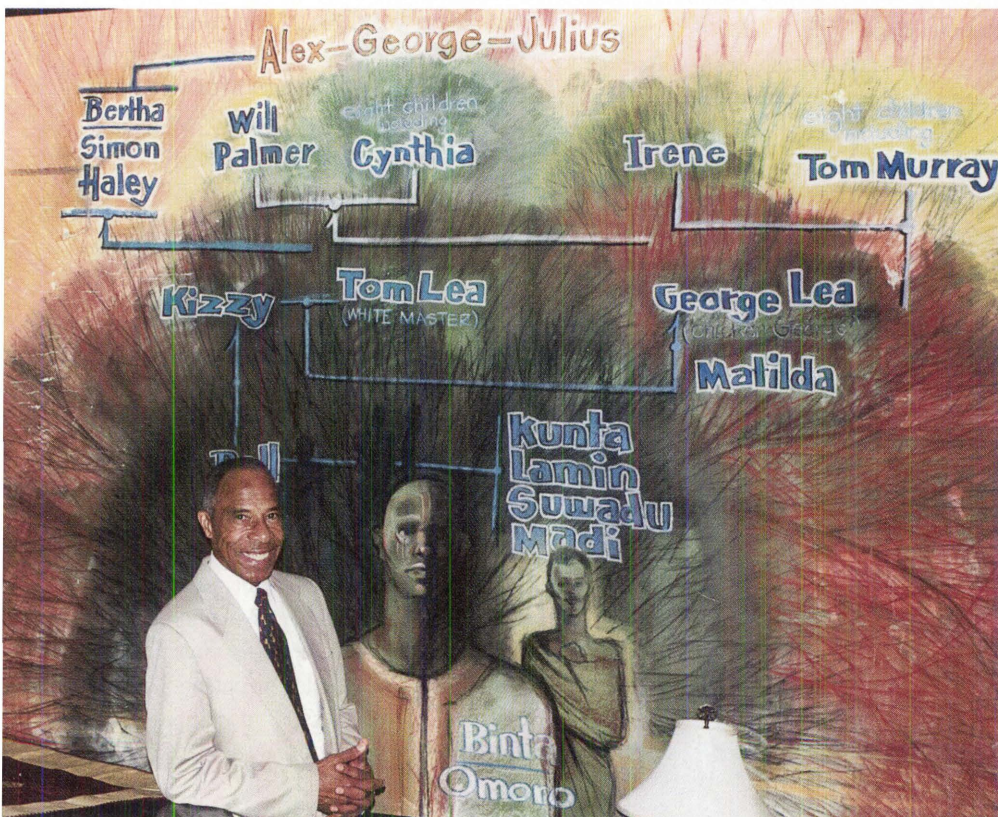
maternal ancestors come from The Gambia, from the little village of Juffureh to be precise, and we are the seventh generation. In 1976, *Roots* was published, and it was made into a film. It had a huge impact, provoking debate in America and all over the world."

George Haley regards himself as a symbol of all that has happened in terms of slavery and the development of African history. "Every time I go back to Juffureh, I feel a rush of emotion. You know, we lived through apartheid in the USA. I experienced the Second World War - segregation was the law. It was the old irony of 'separate but equal' - a complete farce! Today, we have managed to abolish much of this discrimination. We are becoming increasingly egalitarian."

There are quite a few Americans seeking to discover their roots, studying the history of Africa in minute detail. "Young Americans are extremely aware of what's going on. There are many who have used *Roots* to embark on their own quests - for African-Americans, it has become a sort of essential stepping stone towards establishing their identity."

Renewed ties

It is tempting to ask George Haley how relations stand between African-Americans and African nationals. There are a number of African-Americans who, in addition to researching their history, are considering investing in the



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countries of Africa, initiating business dealings with the continent. “Relations between the USA and The Gambia are good, and we hope to make them even better. It’s true that before *Roots*, few Americans would even have been able to find The Gambia on a map! The book was a catalyst. Today, there is a great deal of mutual economic and cultural interest between the two countries. One of the things we have done recently, which might encourage investors, is to create a direct air link between Washington and Banjul. The inaugural flight took place less than two weeks ago. This will mean more tourists arriving from America, and it will also facilitate other types of relations. Africa has enormous potential, but it suffers above all from a shortage of amenities and inadequate infrastructure. This is what diplomatic relations should be all about – working together for the sake of mutual development.”

Compensation?

Those who believe that African countries should be paid compensation in recompense for the debt of slavery might well expect to find an ardent supporter in someone such as George Haley. Yet he admits to having “a few reservations” when it comes to this subject. “To be frank, I have looked into this question in some depth. But what matters to me more is that the United States and Africa should maximise their potential relationship. For example, there’s no reason why The Gambia shouldn’t use local resources to strengthen its tourist industry. The United States could send over more tourists, encourage them to visit Juffureh. For that, we would need to improve our facilities for welcoming visitors. These are concrete projects which can enhance our country. Personally, I don’t believe that history imposes an obligation that money be paid. I

There is now a direct air link between Washington and Banjul

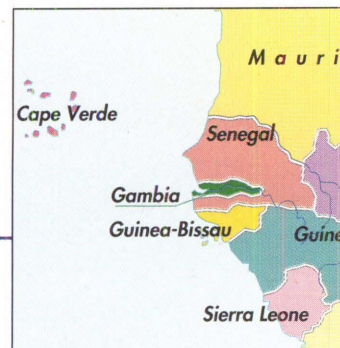
know I’m repeating myself, but I’d rather see local potential being properly utilised.”

George Haley is no newcomer to politics. Photographs show him shaking hands with Presidents and eminent figures such as Martin Luther King. “So when will we see the first black President of the United States? I’ve absolutely no idea! But let me tell you one thing – many people think that, had Colin Powell run for President, he could well have stolen the job. As you know, he led our troops, and the republicans used his strengths in their campaign. And there are others, like Jesse Jackson, for example...”

Is it possible that there might be a sequel to *Roots*? “Kunta left from here, and I have come back here for a time. The sequel is real, it exists. It’s the best present we could ever give to our ancestors!”

Profile

THE GAMBIA



General Information

Official name	Republic of The Gambia
Area	11,300 km ²
Population	1,367,124
Capital	Banjul
Administrative Divisions	5 divisions and 1 city (Banjul), Lower River, Central River, North Bank, Upper River and Western River
Languages	English (official language), Mandinka, Wolof, Fula, various other languages
Religions	Muslim 90%, Christian 9%, other beliefs 1%
Ethnic groups	African 99% (Mandinka 42%, Fula 18%, Wolof 16%, Jola 10%, Serahulli 9%, other 4%, and non-African 1%)

Economy

Currency	Dalasi (GMD) 1€ = 14,16892 GMD
GDP per capita	315 US\$ (1998)
Real growth rate	4.2% (1999 est.)
Total external debt	430 million US\$
Inflation rate (consumer price index)	2.5% (1999 est.)
Main primary products	Groundnuts, millet, sorghum, rice, corn, cassava, palm kernels
Main sectors (GDP)	Agriculture 23%; industry 13%; services 64% (1997 est.)
Main exports	Peanuts and peanut products, fish, cotton lint, palm kernels
Main imports	Foodstuffs, manufactured goods, fuel, machinery and transport equipment
Main trading partners	Benelux, UK, Japan, Hong-Kong, France, Ivory Coast and Senegal

Politics

Executive Branch	Since 1996 President Yahya A.J.J. Jammeh, elected for a 5 year term (55.8%) Vice President MS Isatou Njie Saidu The President is both Head of State and Head of Government Cabinet is appointed by the President Cabinet elections: the President is elected by popular vote The number of terms is not restricted. Next elections to be held in 2001 President and cabinet; last reshuffle January 2000.
Legislative Branch	The Legal System is based on a composite of English common law and the 1996 Constitution, Koranic law, and customary law; accepts compulsory ICJ jurisdiction, with reservations A unicameral assembly of 49 seats; 45 elected by popular vote, 4 appointed by the President; members serve 5 year terms Last elections: 2 January 1997. Seats: APRC 34, UDP 6, NRP 2, PDOIS 1 and Independents 2
Judicial Branch	Supreme Court
Main political parties	The ruling party: Alliance for Patriotic Reorientation and Construction (APRC: leader Yahya Jammeh); the United Democratic Party (UDP: Leader Ousainou Darboe); National Reconciliation party (NRP: leader: Hamat Bah); People's Democratic Organisation for Independence and Socialism (PDOIS: leader Sidia Jatta). The UDP and the NRP are the main opposition parties. The ban (following the 1994 coup) on political activities was lifted in August 1996, but 3 pre-coup parties (Former President Jawara's Peoples' Progressive Party, the Gambian Peoples' party and the National Convention party) are still proscribed

Social Indicators

Life expectancy	47.4 years
Infant mortality	79.29/1000
Adult literacy	27.5% female; 41.9% male
Access to safe water	69%
Human development index rating	161 out of 174

Sources: Economic Intelligence Unit, UNDP Human Development Report 2000, The World Fact Book 2000

The maps reproduced here do not imply recognition of any particular border, nor do they prejudice the status of any state or territory



A programme for hope

Helping to rebuild lives through education in war-ravaged Somalia

In Somalia people are trying to restore stability and basic amenities to their country, and to provide education for their children.

The challenge of that task can only be understood in the context of Somalia's turbulent end of the twentieth century.

A decade of disruption

In 1990 civil war led to the downfall of Siad Barre's one-party government. With its collapse Somalia descended into anarchy and tore itself apart. Any kind of formal education virtually ceased. For a few years the European Union stopped its involvement.

The area which made up the former British colony of Somaliland, in the North West of the country, claimed independence in 1991, but this was not recognized internationally. As the base of one of the leading opposition groups, it suffered badly, especially during the Siad Barre regime as well as during the civil war that followed. Ten years on it has a parliamentary

system of government, an independent judiciary and flourishing free enterprise.

In the North East, lack of progress towards a peaceful solution to conflict in the South eventually led to a self-declared autonomy for the Puntland State of Somalia in 1998. The region now enjoys relative peace and tranquillity.

In the central part of Somalia a more stable environment is beginning to emerge, but it is fragile and reversible. The extent of security and economic activity varies. Some sort of local authority is emerging and a dialogue or at least the readiness for dialogue between the conflicting parties now exists.

Southern Somalia is the most fertile area of the country and most Somalis live there, but it also has the lowest level of security and stability. In parts there is still little or no functioning government. There are highly fragmented political structures, high levels of criminality, sporadic armed conflicts and lack of economic recovery. There are sometimes humanitarian needs in the area of food security. There are still numerous instances of deaths, kidnappings and violence against both international and national staff of humanitarian agencies.

Only in the past year has there been real progress towards re-instating a single government. A Somali Transitional National Government (TNG) was formed last August at a Peace Conference in neighbouring Djibouti. For the time being it has set up its base in the pre-civil war capital of Mogadishu in the South. The European Commission has said it is willing

Above: re-building the former Regional Educational Board in Galcayo



Girls' attendance at primary schools in Somalia is very good

to discuss primary and secondary education with the new administration.

Many of the clans, which still control large areas of South Somalia, and the regional administrations of Somaliland and Puntland, do not recognise the new government. So progress towards the country's restoration is taking place against the background of many unresolved conflicts. A good indication of Somalia's poverty and dislocation is given by its ranking in the Human Resources Index developed by the United Nations Development Programme. It occupies the last place (175th). Figures published in 1998 show life expectancy as 41 years and adult literacy as 14%.

Traditional education

For centuries most Somali children were educated informally within the extended family in the values, norms and interests of traditional pastoral and nomadic life. Education was entirely oral. It was directly relevant to the needs of the people and instilled a basic understanding of their environment. The only educational institutions were the Koranic schools, that taught children to memorize the Koran in the Arabic language.

Formal education started after independence in 1962. The Somali language was developed as a written language in 1972 and introduced in the schools. The European Union became involved in education in Somalia in the late 1960s and was active in the development of primary and secondary schools until the collapse of the state in 1990. During the civil war most of the schools were destroyed and progress in education came to a halt.

Starting again

EU involvement began again in 1993 through the European Commission Somalia Unit, part of the Commission's regional delegation in Kenya. At that time communities and teachers were beginning to re-open schools, particularly in urban centres, often with their own resources. Former educational administrators and teachers were setting up informal education committees. So the European Union started to give its support again.

It began to develop a more systematic programme in 1996. The aim of this was to help the Somalis create a sustainable education system through active participation by local communities. The Minister of Education of Somaliland Ahmed Yusuf Dualle says: "The political and security climate in Somaliland seems particularly ripe to put primary and secondary education in the forefront of the development agenda." The Somalia Unit has been the major donor to the country's education sector, investing some €20 million since 1996. The unit's education programme is carried out by non-governmental organisations from European Union countries and by specialised United Nations Agencies.

Objectives

European Union support for education in Somalia is directed at strengthening certain key areas in a way that ensures that the improvements can be

sustained. Those key areas include access to education, teacher training, improvement of learning conditions, strengthening management and funding of education. The method puts emphasis on involving local Somali communities. It is crucial that they feel responsible for their educational development. They therefore contribute to the rehabilitation of the schools and to the payment of salaries to the teachers on the basis of their ability. John Mungai, a Kenyan educationalist who works with the German NGO ADRA in Central Somalia remarks: "The major focus is on support to the people to develop sustainable community owned primary schools through their active participation."

A new education system has to be rebuilt from scratch – not only schools but also the administration that supports them. A major component of all education projects is therefore close cooperation with and strengthening of local authorities. The overarching goal is to ensure sustainable provision of quality education for children, young people and adults throughout Somalia.

Action on the ground

There are EU-supported activities in primary and secondary education programmes.

In primary education there is a countrywide programme to develop the primary school curriculum, organise teacher training and develop and distribute new textbooks for all Somali-speaking communities. This is being carried out through UNESCO and UNICEF.

A large number of non-governmental organisations from Europe are working in different regions to put in place support structures for primary education. They are helping to set up community education committees, strengthen local administrations and organise training. CARE (UK) writes about their project in 19 schools:

“Emphasis is on developing structurally secure, sanitary, school facilities and classroom environments that promote learning. Rehabilitation, community mobilization, teacher training and capacity building are linked and are vital in collaborating with the communities to provide a functional learning environment for 14,000 students in 2001, 30% of whom will be girls.”

Save the Children Fund (UK) says: “Particular emphasis will be placed on helping communities develop the interest, ability and capacity to manage the schools and provide support to the local education authorities to improve the technical quality and relevance of teaching within the schools.”

In secondary education the EU is supporting a project that started in 1999 focusing mainly on Somaliland and Puntland. Mike Bicker, Regional Director of the British NGO *Centre for British Teachers*, the executor of the project says: “Quality secondary education in Somaliland and Puntland is vital to provide the necessary skills base to ensure development.” More than 1,900 students in six secondary schools in Somaliland attend the schools. In Puntland 450 young people are benefiting in an area where there was no secondary education at all in 1998.

Most of the work is taking place in Somaliland, Puntland and Central

Somalia. Some 50,000 children are involved.

Future challenges

In Somalia areas of peace and conflict continue to exist side by side. Over the last couple of years the areas of relative peace have increased and the education system is slowly being rebuilt. In Somaliland and Puntland primary schools have been restored and even secondary schools have opened their gates. In the southern parts there is work in progress but tension remains high.

Education is essential in addressing the country's economic needs. It is also a prerequisite for peace and helps to reinforce the peace that already exists in some regions. When the education development programme began in Somalia almost all activities were carried out by outside agencies. Slowly but surely the people of Somalia are taking more responsibilities into their own hands. The level of cooperation between the international partners and the Somalis is good. The mid term review of a project managed by the German NGO *Action Afrika Hilfe* states: “... the project has been able to overcome the very serious problems associated with the community in a relatively short period... At the end of the first nine months of operation, the relationship can be said

to be very harmonious and productive.”

Extending primary education projects to other areas remains a challenge. There is still disputed territory in the north yet to be touched. But the major challenges lie in the still volatile southern parts. These areas should be a priority for the future.

While the situation in Somalia is still not completely stabilized, the approach taken and the success of the EU-supported education programmes so far may offer some lessons for other countries in Africa and elsewhere that are faced with civil war, emergency situations and lack of central government.

The brightest hope comes from the fact that an increasing number of Somalis are working hard for their own future, creating their own locally based, financed and managed education systems. As Abdulahi Ahmed Ga'al, working at the EC Liaison Office in Mogadishu, puts it: “The future of Somalia will remain bleak as long as the majority of children continue to be denied the right to basic education. Although we very much appreciate the support of the EU and its partners in the rehabilitation of our education system, in the end, we have to do it ourselves.”

Article based on the following paper by Leo Schellekens, technical assistant responsible for this programme in the EC Somalia unit: “*Civil War and Emerging Governments: The European Commission and Community Based Education Development in Somalia*” available at:

www.unsomalia.org/sacb/documents/educational_sectoral_committee.htm

http://www.unsomalia.org/sacb/documents/educational_sectoral_committee.htm

Photos: Leo Schellekens.



Secondary school students at work in a rehabilitated school in Bossaso, Puntland

Mozambique rises from the ashes

There are few success stories among the world's least developed countries (LDCs) – if there were, the number of LDCs would be falling, not rising.

Yet the prospects for Mozambique look rosier than for most of the 49 states that languish at the bottom of the world's poverty league.

For most of the past decade, the southern African country has enjoyed some of the highest growth rates in the world. In 1997, these peaked at nearly 12% a year and remained in double-digits until floods swept through the country in Spring 2000. As a result of the devastating downpour, growth has slowed down to 6%, but finance ministry officials expect it to reach the same level as the late 1990s by the end of the year.

Text and photos by Gareth Harding

Economic growth is no panacea, but without it the investments in health, education and infrastructure that are so essential for development cannot take place. Says Development Commissioner Poul Nielson: "It is a luxury approach to think that good old-fashioned growth is not necessary in places as poor as Mozambique."

Nielson lists three key ingredients for long-term growth in developing countries – political stability, a commitment to free trade and a desire to achieve economies of scale.

Ever since the country's bloody civil war ended in 1992, Mozambique has been one of the few African countries to enjoy relative political stability. It is true that simmering tensions between the governing Frelimo party and its former war enemy Renamo sometimes spill over into violence. But for the past 10 years,

Mozambique has been a multi-party democracy trying to heal the scars of colonial domination and civil war.

Political stability is essential to attract outside investors and in recent years Mozambique has bagged some of the largest single investments on the continent. On 21 September last year, the presidents of Mozambique and neighbouring South Africa opened the Mozal aluminium plant on the outskirts of Maputo. This \$1.3 billion dollar project is the largest single foreign investment in Mozambique and is expected to earn the country \$400 million in export revenues when it is fully up and running. That is more than the combined value of all the country's exports in 1999.

Further large-scale investments are planned. A \$500 million project to extract minerals from sands 200 km to the north of the capital is expected to open within the next few months

and a \$2.2 billion iron and steel works outside Maputo will be inaugurated next year.

Large-scale projects are rarely problem-free – they often damage the environment, crush local competition and channel the vast bulk of their profits abroad – but they can also provide jobs, generate much-needed income and kick-start stalled economies. Says Maputo Port Director Jorge Ferraz: "Projects like Mozal are essential for growth in the initial stages. This will give people the confidence to invest further."

One of the reasons Mozambique has attracted so much outside investment is because of its proximity to South Africa. Maputo is the nearest port to Johannesburg and the industrial area that surrounds it. But for decades, South African exporters were unable to use the so-called Maputo corridor because of war, political instability



Prawn fishermen in Maputo estuary.

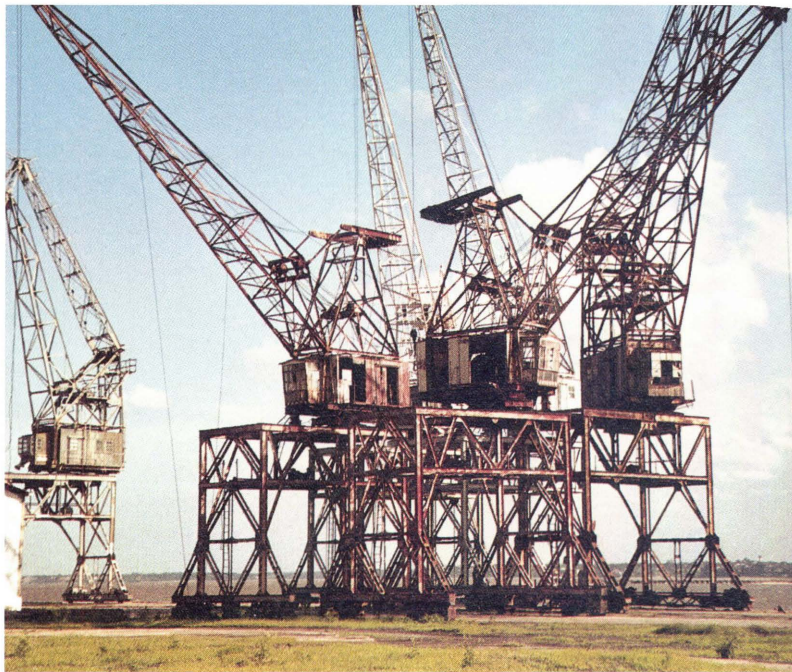
and poor infrastructure.

All that is rapidly changing. A new motorway has been built between the South African border and Maputo and business is booming down at the capital's newly-privatised container port. Ferraz says that "since privatisation, things have improved tremendously. Investment allows us to upgrade our infrastructure and this can give us the growth we want to achieve."

The contrast between the old and new ports could not be more striking. In the former, rusty cranes stand like herons waiting for a fish that will never come, potholes make the access road impassable for all but the largest trucks and gangs of scruffy stevedores loiter around waiting for the next ship to dock.

Down at the container port it is a different story. Fork-lift trucks scamper about picking up containers for the port's new cranes to drop into the hauls of waiting ships, strict controls make sure that goods are not pilfered as they were in the past and computers track the comings and goings of cargo. No wonder 40% more goods were handled last year than in 1999. Ferraz says that for future growth to be maintained, it is essential that the

southern African region starts working as a bloc rather than as individual countries. In recent years, moves have already been made towards this goal. The Southern African Development Community (SADC), of which Mozambique is an active member, has agreed to set up a free trade area within 12 years and work towards a single currency. Fences are also coming down on the borders of Mozambique, South Africa and Zimbabwe in order to create the world's biggest game park. Free trade agreements between the EU and regional groupings of states are at the heart of the recently signed Cotonou agreement between the EU and its African, Caribbean and Pacific partners. Mozambique is also likely to see its export market boosted by the EU decision to allow goods from LDCs to enter the European market duty-free. Nielson says countries like Mozambique have little to fear from



Old cranes in Maputo docks

further integration into the world economy. "Globalisation is both an opportunity and a threat," he says, adding: "but if we look at our own experience it is definitely more of an opportunity than a threat."

While accepting that free trade reduces costs and increases competitiveness, Mozambican Trade Minister Carlos Alberto Morgado believes that it should take into account different levels of development. "The smallest economies must have guaranteed access to world markets. Free trade will not happen if the rich become richer and the poor become poorer," he says.

Morgado says that Cotonou has "opened important doors countries like Mozambique can benefit from." Already a big exporter of prawns, cotton and sugar, the focus is likely to shift to metals and manufactured goods as a result of the large-scale investments the country has attracted.

But Morgado is also acutely aware that increased export earnings and growth rates are only of use if they better the lives of the millions of Mozambicans who currently live below the poverty line. "In the medium to long term if we don't invest in education, the growth we are seeing



Maputo container port

today cannot be sustained,” he says. A decade ago, Mozambique spent over 60% of its GDP on defence. Now it invests a similar amount in education, health, housing, transport and other essential services. As a result, literacy rates are rising, infant mortality numbers are falling and once fatal diseases such as polio are close to being wiped out.

Despite these advances, Mozambique is still a desperately poor country. Its national debts are crippling, it has one of the highest HIV infection rates in the world, life expectancy is still only 43, only a quarter of children go on to secondary school or university and the illiteracy rate hovers around 60%. It is not for nothing that the country receives over \$1 billion a year in foreign aid and ranks as 168 out of 174 in the UNDP’s human development index.

Some of Mozambique’s problems stem from the droughts, floods and diseases that have swept through the country in almost Biblical proportions in recent years. But the main reason why so many Mozambicans are poor today is that they have had to endure three centuries of colonial rule by the Portuguese, a brutal 15-year struggle for independence and then a further decade of civil war and economic mismanagement before peace broke out in 1992.

Relics of the country’s tragic past abound. Billboards still scream revolutionary slogans from Frelimo’s dis-

A decade ago,
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astrous flirtation with Marxism, coffee shops still serve the same Portuguese pastries they have done for decades and dozens of ships sunk by the fleeing Portuguese in 1975 still litter Maputo harbour.

When the civil war ended, Mozambique was the world’s poorest country. Its economy was in tatters, its infrastructure in ruins and its people dependent on outside aid for their survival. Almost ten years on, it is still near the bottom of the world’s poverty league, but compared to many other LDCs its future looks bright. Almost half of the 49 LDCs saw their real GDP per capita decline or stagnate between 1990-’98 and Mozambique was not one of them. Neither is it ravaged by war, despot-

ism and endemic corruption like many other African countries.

In his millennium address to the United Nations General Assembly, Secretary General Kofi Annan singled Mozambique out for praise for topping the world’s GDP growth. “Mozambique, utterly impoverished and in the grip of an apparently intractable civil war only a few years ago, has taken great strides thanks to its own efforts.” Nielson also believes that the long-term prospects for the country are “surprisingly good” given the destruction caused by last year’s floods.

There are few signs of fatalism in the country’s cosmopolitan capital Maputo. One Western diplomat says that: “Mozambicans may be poor, but when they walk they are carrying something. Whether it’s a book or a brick, they are rebuilding.” There is certainly plenty of building going on alongside the city’s palm-fringed beaches. Smart houses and hotels are going up, new restaurants are opening and tourists are once again trickling in to the city that was once compared with Rio de Janeiro.

But life is also improving in the country’s less swanky areas. Across the estuary from Maputo lies the small fishing port of Catembe. Every night during the civil war, prawn fisherman João Gumende was forced to flee the village for fear of Renamo attacks. It was also difficult to put food on his family’s table. “There were years when we suffered a lot,” he says, “but things are better now.”



“Relics from the country’s tragic past abound... dozens of ships sunk by the fleeing Portuguese in 1975 still litter Maputo harbour.”

Marie Elise Gbèdo

The woman who dared...



The final verdict of the March 2001 Presidential elections in Benin has been announced. The result is a very clear victory for outgoing President Mathieu Kérékou over Bruno Amoussou in the second round. The most remarkable feature of the ballot undoubtedly remains the surprising withdrawals of Nicéphore Soglo and Adrien Houngbédji, the candidates who had emerged second and third, respectively, after the first round. Yet the real revelation of these elections has to be Marie-Elise Gbèdo, the first woman ever to stand in a Presidential election in the entire political history of her country.

by **Virgile Ahissou**

She was only five years old when her country – Dahomey, as it was then known – gained independence in 1960. She first came to the corridors of political power during a brief spell in government (May 1998-June 1999) as Minister of Trade, Industry and Tourism. Today, this 46-year-old lawyer has entered the history books. Standing as Benin's first female candidate in the March 2001 Presidential election, she is another feather in the cap for her country, which already stands as a shining example to the rest of Africa of how to achieve smooth and peaceful changeovers of government.

When asked how she came to stand as a candidate, her reply is matter-

of-fact: "Putting myself forward as a candidate is simply a logical progression of my longstanding fight for women's rights, for the right of Beninese women to play a useful part in public affairs and in effective decision-making."

Marie-Elise Gbèdo was primarily motivated by her conviction that she could help "to run Benin like a business which makes money, creates wealth and ensures the well-being of its people." She believes that "our country is very fortunate, but nothing is being done to put it on track for long-term development."

For or against Kérékou...

Although Mrs Gbèdo is one of Mathieu Kérékou's former ministers, this fearless 'Amazon' was bold enough to challenge him for the Presidency. She describes the current incumbent of the La Marina Presidential palace as somewhat

'out of touch.' When it comes to new information technologies, for example. "The NICTs [New Information and Communication Technologies] should be in use everywhere, even at the Presidential residence. A President should at least know what they're all about, he should at least know how to use a computer. These are the new technologies which we should be installing in all our schools and universities. The problem with having someone at the helm who is behind the times, who doesn't understand modern technology, is how can he possibly inspire this kind of progress?"

Nevertheless, she does not view her short stint in government as a waste of time. "I lost nothing by it – on the contrary, I learned a lot. I would even say that it's thanks to that experience that I know what I'm talking about. I now understand what the Presidency of the Republic entails, what it means to

Marie Elise Gbèdo wearing her 'High Commander of the National Order of Merit of Benin' cross

work in a government, to work with foreign ministers, because I chaired the ACP-EU Council of Ministers with its 57 States," she proclaims with obvious sincerity. She insists that she has nothing against Mathieu Kérékou personally, but that she has a much more forward-looking vision of governing Benin and believes that, at the moment, "things are sort of stagnant."

Enhancing the status of women

Marie-Elise Gbèdo is currently vice-president of the Beninese Association of Women Lawyers (AFJB). She is very much involved in the battle to enhance the status of African women, though at the same time she refuses to brand the menfolk 'male chauvinists.' If African society is chauvinistic, then in her opinion this is a cultural legacy passed down, perhaps, through traditions and customs, which have always dictated the way men behave towards women. "I don't hold it against men. I understand their position, because sometimes even women reject our message simply because they don't

comprehend it." She does not, therefore, view her candidacy as a way of 'getting her own back.' On the contrary, she is proud of her fellow countrymen. "When I announced that I was going to stand, I expected the worst. I thought the reactions would be extremely sexist and rude. Today, however, I realise that I was treated exactly the same as all the other 16 candidates. No one attacked me, I wasn't subjected to verbal abuse, there was no nastiness towards me. So I haven't been working in vain – our strategy to educate people about respecting women and improving their image in our society really has paid off."

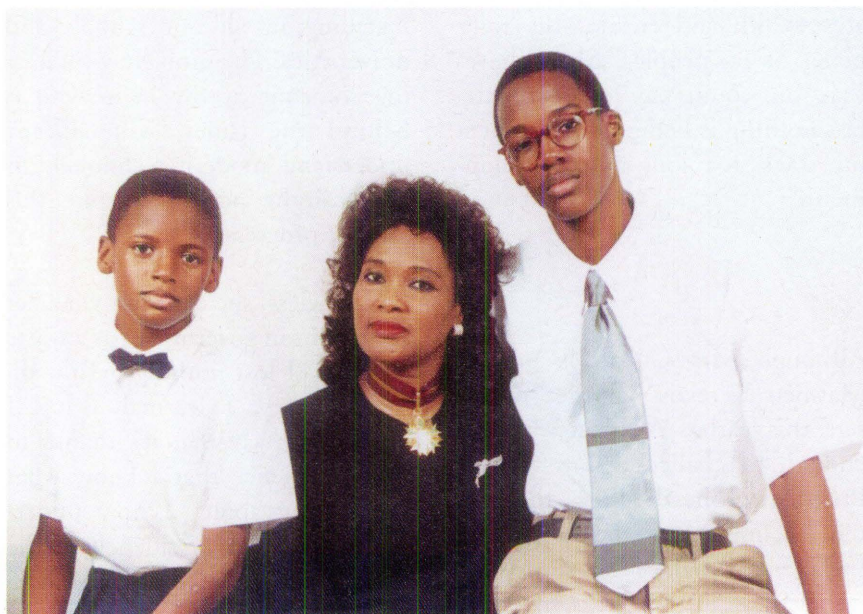
The lawyer often describes herself as a 'female head of the family.' This is her way of defining her social status as a divorced woman who has custody of her children. She sees no reason not to call herself the 'head of the family,' since it is she alone who provides for her children and takes care of them every day. This certainly accords her the status of a woman at the head of a single-parent family, one of an increasing number of women who find themselves in this position in Benin.

Her credo

The framework of Gbèdo's programme is based on an independent legal system, starting from the premise that a country's economy is not simply a question of developing agriculture and promoting trade and industry. She believes that, when it comes to making a success of agricultural mechanisation and development of the private sector, judges are key economic players. Judges who are unbiased and independent of the government, who can serve to reassure foreign investors, without whom low-income countries cannot advance.

Next comes decentralisation. There has been talk of this ever since the national conference of February 1990, but none of the governments which have come to power since then have actually done anything about it. Finally, Mrs Gbèdo thinks a great deal about the Beninese people who live elsewhere. She believes that they could have a very important contribution to make to her country: "Their skills are sharpened abroad. We need to channel their resources towards the development of our country."

Her only political role model remains Hillary Clinton. She sees her as a very strong woman and believes that you have to be tough to go into politics – especially when you are a woman. Marie Elise Gbèdo is full of admiration for Mrs Clinton: "Given everything she's been through, with her husband as President, and then the way she succeeded in handling the whole business so as to get the upper hand, entering the political arena herself, being elected senator... it's remarkable. I think she's well on the way to one day becoming President of the United States. And why not!"



E-C AHOUNOU

Marie Elise Gbèdo with her children Dani and Arnaud

Managing the transition gap

Natural, man made and technological disasters are never predictable, but well-prepared local communities may be able to better mitigate them. *The Courier* looks at the transition gap – or the grey zone – between humanitarian relief, rehabilitation and development and the shift to long-term management through improved community and international preparedness.

Dianne Rienstra

It is a familiar, hollow sense of *déjà vu*. It has happened twice already this year when merciless earthquakes devastated San Salvador, El Salvador on 13 January and Gujarat, India 13 days later. The death toll in El Salvador was about 704, with 2,000 reported missing. In India, more than 30,000 lost their lives and millions were left homeless. The staggering financial costs are still being tallied.

Once again, international donors swung into action to deliver humanitarian aid to the beleaguered populations. The world watched as hundreds of well-meaning aid agencies flew to the rescue, for the most part *ad hoc* and uncoordinated. In India, distribution channels were choked as relief supplies piled up at ports and cities in such quantities that authorities asked donors to stop sending aid. Meanwhile, those haunted by *déjà vu* sadly shared a collective recognition of what could have been done, what should have been done and what was not done.

"The earthquake in El Salvador is the eighteenth major earthquake in Central America since 1990," says Dr Debarati Guha-Sapir, Director of the Brussels-based Centre for the Research of Epidemiological Disasters (CRED). "For the eighteenth time, aid was flown



in and we saw footage of people digging among the debris with hands and shovels."

In the wake of the Gujarat earthquake, the Indian government was lambasted for ignoring the 1998 *Report of the Expert Group on Natural Disaster Prevention, Preparedness and Mitigation having bearing on Housing and Related Infrastructure* that noted: "Disasters don't kill people, buildings do." The report's "vulnerability atlas" indicated that most of Gujarat is among the 12% of the nation most vulnerable to severe quakes and most in need of "disaster resistant construction."

Guha-Sapir says the repeated experiences from 91 earthquakes in the last 10 years that devastated more than 17 million people could have taught us many lessons. If only we had paid attention.

"Community preparedness is the only practical solution for poor countries located in high risk areas," she says. "The locals are the ones who can bring effective help in the first few hours and it is their capacity that has to be strengthened."

A more rational response

The media reported both earthquakes as "predictable" natural disasters. Arguably, natural disasters such as earthquakes, floods, hurricanes, mudslides and tornadoes are never predictable. But the vulnerability of the Salvadoran and Indian

populations is predictable and the countries' proclivity to disaster even more so. Nor are conflicts predictable, but more often than not warning signs are ignored and later acknowledged.

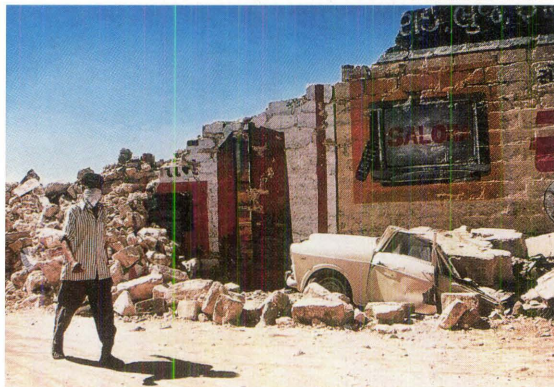
Natural, man-made (including conflict) and technological disasters requiring external assistance have increased exponentially in recent decades, reports CRED. This has prompted new interest in collaborative ventures, better donor coordination and a more rational approach to response.

The human cost – loss of lives and livelihoods – is paralleled by a steep financial cost to which donors are starting to pay attention. A small investment in disaster preparedness may yield substantial returns.

What international donors are finally realising, academics and field workers have known since the 1980s. Yesterday's *ad hoc*, reactive responses to disasters simply do not work. Long-term management through improved community and international preparedness is indispensable to emergency aid programmes. Development projects aimed at mitigating the effects of disasters must help vulnerable communities develop coping strategies.

The European Community Humanitarian Office (ECHO) often finds itself managing programmes in the transition gap or grey zone between relief and development. European Commissioner for Development

Peter MacDIARMID/REX



In the Indian earthquake, more than 30,000 people lost their lives

Cooperation and Humanitarian Aid, Poul Nielson, recognises that linking humanitarian aid to longer term intervention is the way forward.

“The long-term effect of humanitarian intervention is very much at the forefront today,” he says. “But every situation is different and calls for a tailor-made response. There is no one solution.”

Minding the gap

Managing the grey zone is a daunting task. So is defining an exit strategy from a humanitarian action that creates a bridge to effective, longer-term development projects. This is particularly difficult when dealing with conflict situations. Nielson says response to conflict in some countries does not require a permanent presence, such as in NIS (newly independent states). In other countries, such as Angola, the southern Sahara and Afghanistan, the need for continuing humanitarian aid is unequivocal because of ongoing, deep-rooted conflict.

“Without a permanent presence, a lot of terrible things would happen to innocent people,” the Commissioner says. “In these instances, we need humanitarian stamina. We are hostages of those conflicts, but I see no way to manage things differently.”

Dr Guha-Sapir believes the transition gap is conceptual and needs to be galvanised by operational tools and concrete actions. That step has not yet been taken, partly because the institutional mechanisms do not exist and partly because of lack of political vision. However, thanks to the dogged efforts of people weary of *déjà vu*, the concept of

prevention has gained currency over the past decade.

“Disaster preparedness, mitigation and prevention must be integrated into development projects, particularly in high risk areas for natural disasters,” she says. “As long as the response remains within the humanitarian or emergency relief framework, it will always be short term, short sighted and expatriate managed.”

Nielson maintains the grey zone scares donors because everything must be done at the same time and “almost nothing works in a transitional environment.” The real dilemma is that it is much more manageable to make predetermined aid contributions during the crisis stage than to shoulder the heavy, ongoing financial burden of a permanent presence.

“This situation often makes it unmanageable to work in a meaningful partnership with recipient countries,” he said. In principle the European Commission has a permanent presence everywhere because as a donor it has local coverage and in most cases, it has the resources to do its share. Nielson says this is why the EU has “a disproportionately large share of post-conflict and transitional responsibilities.” He cites Kosovo, Rwanda and Central America as examples. In Somalia, he says, the Commission is working with the fledgling government to help create political and administrative structures as a path to stabilising progress.

Guha-Sapir holds the view that it is simply easier to fall back on the “knee jerk reaction” to disasters by sending humanitarian aid, which is “easier, prettier and more media friendly” than long-term community engagement.

Preparing local communities

International disaster response is slowly shifting away from delivering one-shot relief and emergency aid to victims. Clearly, when disaster strikes, there is little choice but to send aid. Guha-Sapir agrees, but argues that “countries are willing to pay out generously for disaster relief, but nobody wants to pay for a

facility or network that could mobilise regional assessment and response teams.”

This is particularly shameful in a region such as Central America, where many neighbouring countries – Mexico, Cuba, Costa Rica and Venezuela – are culturally compatible and have qualified human resources capable of providing immediate, critical assistance.

“In a region where major earthquakes have occurred at the rate of two per year in the last decade, the importance of training the community how to respond in a disaster situation cannot be over emphasised,” she says. “In some instances, international disaster relief dissuades training of local and regional communities.”

Teaching techniques of extrication, reinforcing housing and response behaviour in schools, hospitals and other public places can be done. Bangladesh, for example, has successfully reduced the death toll from cyclones through massive national efforts at community based preparedness.

More programmes are needed that aim to protect vulnerable individuals and communities through sustainable actions, including human resource development, organisational and institutional strengthening.

CRED advocates this proactive approach to community response be based on:

Preparedness – improving capacity to respond to disaster through training, organisation and equipment for rescue, relief and rehabilitation, and through setting up early warning systems.

Mitigation – reducing a disaster’s impact on communities and their environment.

Prevention – reducing or eliminating community vulnerability to disaster, and strengthening capacity to cope in a crisis.

Nielson notes that in several regions, ECHO is involved in helping to ensure a smooth transition from emergency assistance to EU reconstruction and development programmes. The strategy adopted by DIPECHO (ECHO’s

Disaster Preparedness Programme) for the Caribbean region is contributing to reducing the risk of disaster within the region, and lessening the needs for external humanitarian assistance after disasters.

Projects to help farmers make a living, and provide food security through a veterinary programme for livestock in the drought-stricken Horn of Africa (Northern Kenya and Ethiopia) demonstrate how the EU can bring together humanitarian and development assistance. Nielson, who visited the projects, describes them as a "series of community based activities that actually create change while responding to a crisis."

A hard lesson learned

Hurricane Mitch, one of the worst natural disasters in modern history, ripped through Central America in October 1998 killing 10,000 and leaving 10 million homeless. ECHO and other donors flooded the region with aid, but it took almost two years for the European Commission's post-Mitch reconstruction programme to become operational.

Meanwhile, victims languished in the grey zone. Nielson says it took more than a year to find the right people but now the PRRAC Office (Regional Programme for the Reconstruction of Central America) in Managua is up and running with funding committed until 2006. Tenders are out for projects that help rehabilitate the education, sanitation, public health and housing systems in the areas hardest hit by Mitch.

This experience was a hard lesson learned, the Commissioner acknowledges. "In India we must apply these lessons and ensure we don't run into the same scandalous delays." At the same time, assistance must be organised in a way that it "is as least vulnerable to corruption as possible."

It is no easy task to find the right balance between rapid response, flexibility and accountability. Humanitarian aid is not and will never be risk free. Relief items destined for complex war zones may be hijacked, deviated or go astray.

Donors accept that less than 100% of humanitarian aid may actually reach its target. Development aid is less susceptible because it is usually monitored onsite by the donor or its partners in the field.

Today, the framework for a coherent response to ensure a smoother transition between humanitarian aid and development is stronger than ever before and being strengthened, Nielson says. This is in part because for the first

time, one Commissioner is responsible for both development and humanitarian aid.

There is a growing awareness of the complexity and interrelated dynamics of aid and development instruments in transitional situations: "We must take a double track approach. There is an intimate interface between actions that are humanitarian and acute and those that are more forward oriented."

LRRD - LINKING RELIEF, REHABILITATION AND DEVELOPMENT

A Communication from the Commission to the Council and the European Parliament, is being prepared. It assesses LRRD and points to the need for increased attention for disaster preparedness and conflict prevention in humanitarian, and development cooperation strategies and programmes.

It analyses the current situation and makes policy recommendations designed to strengthen the EU's response to managing the grey zone with proactive, timely and appropriate instruments. It also argues for better coordination with the UN and other international initiatives. It is expected to be adopted in April 2001.

INTERNATIONAL RELIEF AND THE C-WORDS ...

In the wake of the devastating earthquake that destroyed much of Gujarat, India, Dr Debarati Guha-Sapir, Director of the Centre for the Research of Epidemiological Disasters (CRED), believes that lessons learned in past earthquakes can be summed up in four c-words:

Coordination - Importing seismologists, doctors and logistics and communications experts to India was unnecessary because some of the world's best are produced in India. International donors should pay for local personnel to be mobilised in times of need. India's professional armed forces should have been coordinating relief.

Construction code - Addressing inadequate construction codes and dishonest builders by imposing formal building codes is economically unrealistic. In poor communities with low regulatory enforcement potential, strengthening community-based preparedness to allow locals to mitigate and manage the aftermath is the way forward.

Coverage - There is nothing equitable in an earthquake. The poor get the worst deal. Relief agencies should make specific efforts to ensure equitable distribution of aid. This problem persists after the emergency phase. For example, property ownership is often the basis on which reconstruction aid or relocation homes are provided.

Change - Natural disasters often open doors to political change. General Somoza fell after the Managua earthquake of 1972, and the independence of Bangladesh followed the terrible cyclone the same year. Indian authorities and humanitarian agencies should ensure that socially vulnerable groups are specifically targeted now and in the rehabilitation phase.

CRED has compiled a disaster events database as a tool in strategic planning, critical to many governments and international agencies engaged in disaster relief, mitigation and prevention programmes. For more information: www.cred.be

Haiti

a storm-tossed island

In February Jean-Bertrand Aristide again put on the tattered robes of presidential power, against a background of apparent indifference. The people who ten years earlier had acclaimed his victory with an upsurge of hope this time turned their back on the elections. Almost unnoticed, the former high priest of the poor returned to lead a country, bled dry and fluctuating between the dangers of explosion and implosion. This was a country bearing the open wounds of its chaotic history and struggling as best it could against a rising tide of corruption and a drift towards organised crime.

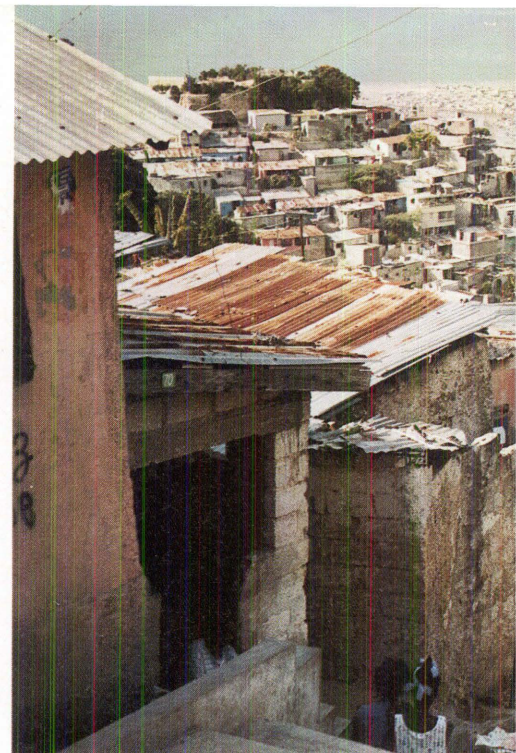
Text and photos by François Lefèbvre

Yet behind the stereotypes of Haiti's wretchedness are networks of active community organisations working to build civil society. There are men and women of vision, fighting a daily battle to bring their country back from the brink. These quiet militants, responsible for countless projects, probably represent the greatest promise in Haiti. Having won his cheerless victory, 'Titid' has moved back in to the pres-

idential palace in Port-au-Prince. But local observers say this is no 'Second Coming.' The climate of extreme violence that engulfed the electoral process between May 2000 and February this year reveals just how deep are the wounds inflicted upon Haitian society. Electoral malpractice and intimidation were compounded by Jean-Bertrand Aristide's lack of legitimacy and authoritarian style. The muzzling of the opposition was, sadly, matched only by its own disorganisation. In a climate of apathy, and with record low turnouts, the ballot boxes – in the absence of Haitian voters – cast their verdict by default. For the electorate there was no alternative but a patchwork opposition, essentially made up of people who moved in intellectual circles. Their concerns are, in any case, very remote from the 80% of Haiti's 6.9 million people who live below the poverty line.

International sanctions

The course of the elections, challenged both inside and outside the country, triggered a chain reaction among Haiti's main partners. Jean-Bertrand Aristide's investiture took

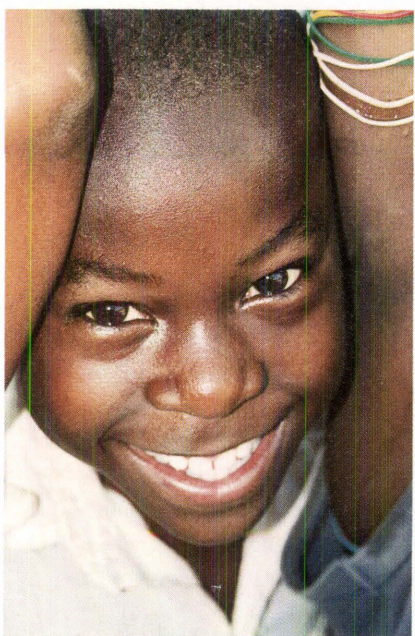


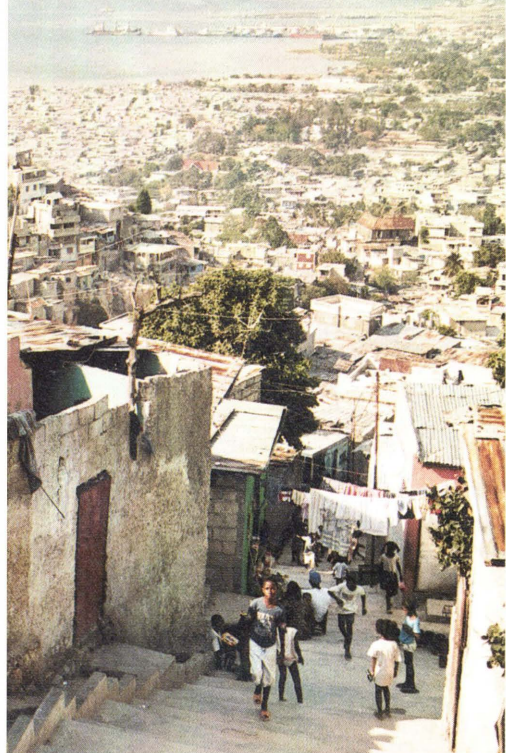
place before a skeleton diplomatic corps. The United States announced a reduction in aid and the European Union withheld €70 million (US\$63m). The European executive, prompted by the disregard for human rights and democracy, is redirecting its cooperation to provide a more direct benefit to the Haitian people, suspending budgetary aid to the government. This was a harsh decision, though only a temporary one. It can be reversed in the light of changes on the ground and the progress of political dialogue and democracy.

In any case talks have not been permanently broken off. Although the opposition, in a gesture of protest, has formed a parallel government and appointed Gérard Gourgue as interim President, the two parties are trying to resume negotiations.

An endangered economy

Haitians refer to their country as a driverless vehicle – '*yon machin ki pa gen chofè*.' Drug trafficking is moving into the country and is increasingly evident as one of the booming sectors of the economy. On the heights above the capital, Port-au-Prince, lie the luxurious and ostentatious villas of the quarter ironically christened Cali (the Hindu goddess, Kali, is associated with destruction). Below them the shanty-towns sprawl in once-fashion-





Shanty-towns sprawl in once-fashionable areas, stretching down to the coast

able areas, stretching down to the coast. A few metres from the waterfront lies the extraordinary 'Sun City,' an unending shanty-town with nothing but flotsam for foundations. Everywhere you see the same expressions, mingling reproach, melancholy and pride. The beggars who importune foreign passers-by seem more intent on drawing attention to their situation than on receiving a handout. Foreign investment has fled Haiti and the reforms introduced by the previous government have done nothing to check the rural exodus. "World commodity prices are imposing a terrible strain on the competitiveness of domestic production, virtually killing it off. A bag of rice grown in the Artibonite Valley costs more than the imported equivalent," says a Haitian economist. The ramshackle democracy and permanent political instability have discouraged the last tourists. No one now comes to see the splendours of Haiti except those who stray in from the Dominican Republic, most of whom do not even realise that they have crossed a national frontier.

The gamble on civil society

From Jacmel to Port-de-Paix, from Cap-Haïtien to Jérémie, from Hinche to the Cayes, there is nevertheless a fabric of solidarity that makes it premature to proclaim that Haiti is inevitably doomed. Thousands of

people humbly carry on the struggle every day, each in their own way. Tirelessly they labour to improve sanitary conditions in the shanty-towns, bring in supplies of drinking water, organise the small-scale producers and provide a basic care service. Each of them works within one of the grassroots projects run by and for Haitians, with important assistance from the European Union and USAID among others.

In the north of the country, the Ennery region is in striking contrast to the bare mountainsides surrounding Port-au-Prince. Population density is lower here than in the capital, easing the pressure on the environment. Although wood is still the main source of energy, the northern hills are standing up fairly well to deforestation.

The Haitian NGO, Prodeva – Promotion of Autonomous Development, has been active since 1993 in agriculture, health, education, training and the environment. Supported by the European Union since 1995, Prodeva has worked to boost the quality and quantity of local production, provide schooling for 2000 children, reverse the tide of regional deforestation and reduce the numbers of premature deaths.

"The development of a region is as a unified whole, and that is why we attach as much importance to the building of schools, vocational training, aid to co-operatives and improving pork production as we do to building a hospital or even to irrigation work. It is true that this may create a sense of dilution, but let's be clear that we are working in response to local needs. The local people are behind every development project," says Simon Luxenor, director of the Prodeva training centre at Ennery.

Confronted by the farmers' problems

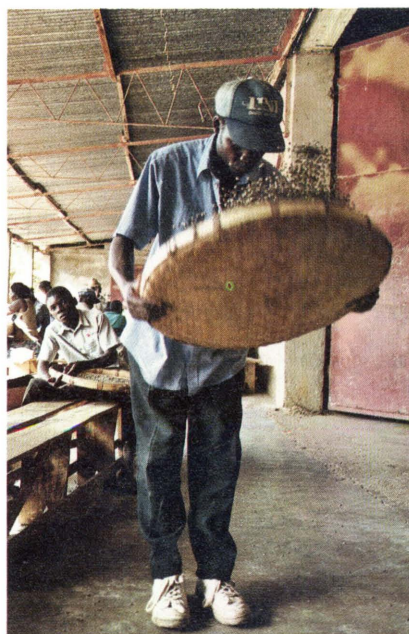
Most of the local coffee producers combined to form a cooperative. They are trained by local NGOs, with financial support from the EU, via Oxfam

with inputs and credits, Prodeva initiated the setting-up of a co-operative that now has over 700 members. The NGO provided technical and financial assistance to get the project on its feet. The economy of scale generated by combining the efforts of small-scale producers subsequently enabled them to make profits. Some of the surplus was redistributed to the farmers and the remainder ploughed back into the co-operative.

"Our aim is to make the co-operative, Ferme Solide, self-sufficient. It has already almost achieved that status and is now running its own credit system. Some loans are granted for farming needs and others for private reasons – a child to be sent to school, a sick parent and so on. Ferme Solide has also set up a savings bank for its members."

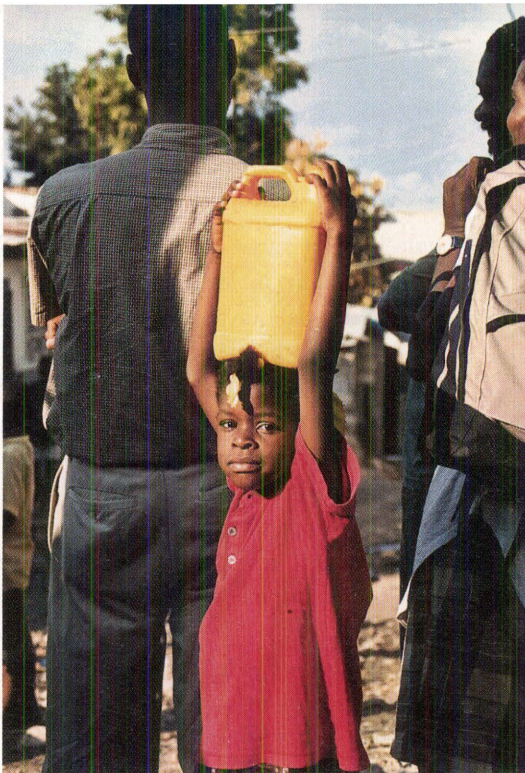
Thanks to its infrastructure the co-operative also acts as a middleman in the market, buying produce from the small producers, stockpiling it and reselling it at the best price available. In doing so it protects the farmers against price fluctuations.

In response to growing public demand, Prodeva has also built a training centre in central Ennery. In a matter of months the classes have become packed with adults, attracted by the financial and administrative



management courses, construction workshops and lessons in hydraulics.

“Alongside these very practical forms of training, we also provide courses in entertainment and popular theatre. This is a form of expression that should not be overlooked and is very helpful in raising public awareness. To give one example, we set up hydraulic systems in the region and supplemented them with water supply networks, mainly for land irrigation. It was a good idea, but the maintenance and management of these systems were supposed to be taken over by the local people themselves. That was not so obvious, even though they are quite capable of running them. So we used the theatre and the training courses to explain the importance of proper irrigation and regular equipment maintenance. This awareness programme is all the more effective because local people themselves are the main protagonists in it.”



A fabric of solidarity makes it premature to proclaim that Haiti is inevitably doomed

European Union, via Oxfam, the co-operative decided to invest in quality coffee and sustainable development.

Despite the decline of coffee growing in Haiti, it is still an important strategic product. According to Yolette Ivonne, an Oxfam officer, “coffee not only brings foreign currency into the country but also gives the growers a special status and is kind to the environment. So we decided to support this sector which, if it is properly exploited, will enable the farmers to establish contacts outside the country and sustain their activities.”

The land, eroded by deforestation, is losing its agricultural potential and depriving farmers of their main instrument of production. Coffee thrives on light and shade and needs to be grown alongside other types of vegetation. So the promotion of coffee goes hand in hand with planting campaigns that contribute to the survival of the farming sector and, consequently, the maintenance of the local people’s main activity. “Coffee has given me back a bit of hope ... a little income and, especially, the chance to stay in my village and not be forced into the city,” explains Annol Philidor, a farmer in Carice.

There is more to a cooperative than a mere administrative formality and then management by its members. Here again training is essential. It acts as a catalyst and produces leverage. To produce quality coffee, farmers have in some cases abandoned traditional practices and adopted modern techniques that are more environmentally friendly. These new methods have since been applied to other crops as well, allowing a relative increase in productivity and ensuring the survival of the business.

Even so, the Carice cooperative – like most of those supported by the Northern Coffee Cooperative Network and Oxfam – depends to a large extent on fair trade. This system, regarded by its detractors as an economic aberration, is based on buying coffee at well above the market price (a pound of coffee costs \$1.26 through Oxfam as opposed to \$0.40 in the local market). The difference is offset by the elimination of the traditional middlemen – market traders, wholesalers and other exporters – and by consumers’ willingness to pay a share of the environmental costs.

“The increase in the number of containers exported – from two in 1997 to six last year – proves that the system works. It is a niche market, of course, but a viable one. Quality and the environment cost money. Some consumers seem to be willing to pay the price, not only in the North but in the South as well.”

Food for thought: more and more Haitians are patiently trying to rebuild their country. Breaking with stereotypes and sweeping prejudices aside, they are offering a reliable basis for cooperation and development projects. Even though they are still dependent on the existing government, each of these men and women is one more reason why Haiti should not abandon hope.

Behind the misery, in Haiti there is a network of community organisations which are active in re-building civil society

In the shade of the banana trees

Further north again, in the mountains, a hundred hands are busy sorting coffee beans. Carice, a small village a few kilometres from the border with the Dominican Republic, depends essentially on farming for its livelihood. Three years ago most of the local farmers combined to form a cooperative. Trained by local NGOs and with financial support from the

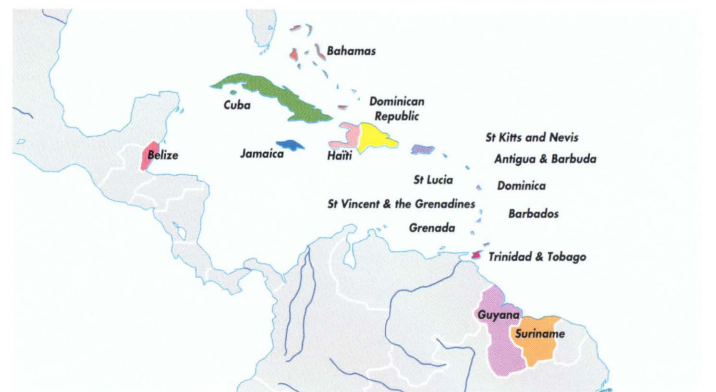
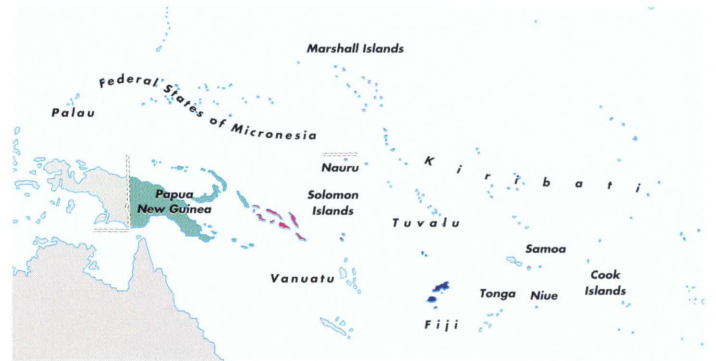
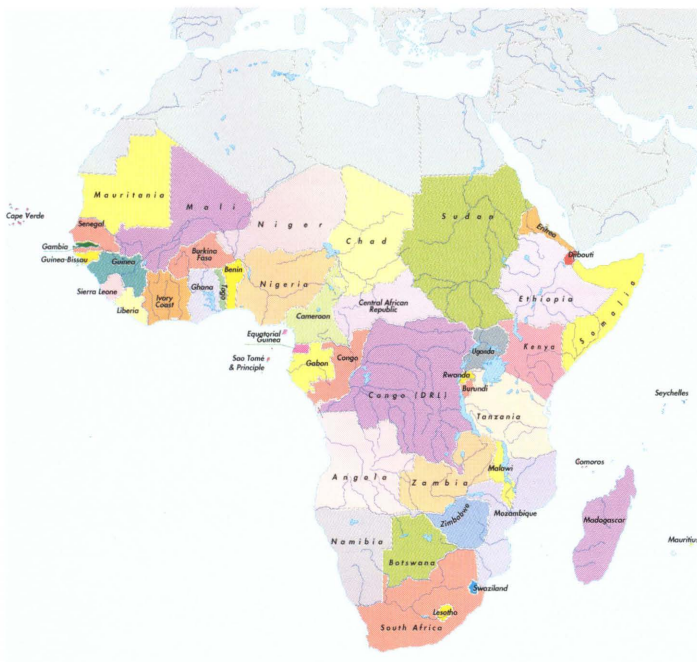


Austria
 Belgium
 Denmark
 Finland
 France
 Germany
 Greece
 Ireland
 Italy
 Luxembourg
 Netherlands
 Portugal
 Spain
 Sweden
 United Kingdom
France
Territorial collectivities
 Mayotte

St Pierre and Miquelon
Overseas territories
 New Caledonia
 and dependencies
 French Polynesia
 French Southern and Antarctic
 territories
 Wallis and Futuna islands
Netherlands
Overseas countries
 Netherlands Antilles:
 Bonaire, Curaçao, St Martin,
 Saba, St Eustache
 Aruba
Denmark
Country having special
 relations with Denmark
 Greenland

United Kingdom
Overseas countries and territories
 Anguilla
 British Antarctic Territory
 British Indian Ocean Territory
 British Virgin Islands
 Cayman Islands
 Falkland Islands
 Southern Sandwich Islands
 and dependencies
 Montserrat
 Pitcairn Island
 St Helena and dependencies
 Turks and Caicos Islands

The European Union



The 78 ACP States*

Angola	Dominican Republic	Malawi	Senegal
Antigua and Barbuda	Equatorial Guinea	Mali	Seychelles
Bahamas	Eritrea	Marshall islands	Sierra Leone
Barbados	Ethiopia	Mauritania	Solomon Islands
Belize	Fiji	Mauritius	Somalia
Benin	Gabon	Micronesia	South Africa
Botswana	Gambia	Mozambique	Sudan
Burkina Faso	Ghana	Namibia	Suriname
Burundi	Grenada	Nauru	Swaziland
Cameroon	Guinea	Niger	Tanzania
Cape Verde	Guinea Bissau	Nigeria	Togo
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Chad	Haiti	Palau	Trinidad & Tobago
Comoros	Ivory Coast	Papua New Guinea	Tuvalu
Congo	Jamaica	Rwanda	Uganda
Cook Islands	Kenya	St Kitts and Nevis	Vanuatu
Cuba*	Kiribati	St Lucia	Zambia
Democratic Republic of Congo	Lesotho	St Vincent and the Grenadines	Zimbabwe
Djibouti	Liberia	Samoa	
Dominica	Madagascar	São Tomé and Príncipe	

* Cuba was admitted as a new member of the ACP group in December 2000, but is not a signatory of the Cotonou Agreement.

Printed on environmentally-friendly paper



Published by the Directorate General for Development, EC
200 rue de la Loi, B-1049 Bruxelles
Printed in Belgium NH-AA-01-186-EN-C