



## ECONOMIC RESEARCH PAPERS

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# **Governance and Poverty Reduction in Africa**

by

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The African Academy of Sciences  
Nairobi, Kenya

The views and interpretations in this paper are those of the author  
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## **Abstract**

Of the 4 billion people that are known to be poor in the world today, Africa has more than her fair share, and the number of the poor, as percentage of the total African population, has been steadily increasing since independence. While the state played an extremely important role in financing social welfare during the first decade after the independence of most African countries, this role has declined with time. Malnutrition, high child mortality, lack of access to basic education, homelessness, and various types of social indignity have been dominant features of the decline of human development standards in Africa.

Yet Africa has the resources and the potential to overcome these indignities if only public revenues were used responsibly and accountably, resources developed productively for satisfying human goals and public authorities put priority on meeting basic human needs and not excessive human wants.

In this paper we argue that the challenge for good governance in Africa needs to begin by recognizing and accepting this fundamental point of departure. The legitimacy of any government of a modern democratic republic must begin with taking into account the basic needs of its citizens in terms of food, shelter, clothing, education, health, security and social solidarity or human dignity. It is unfortunate that these basic values may easily be sacrificed at the altar of “market direction” or neo-liberal dictates that look much more at macro-economic fundamentals rather than the “human needs fundamentals”.

Hence the principal indicators of poverty reduction need to begin by looking at improvements of the standards of living of the people given the above human needs fundamentals. Quite often, while these could be realized, governments in Africa waste valuable resources in corruption, excessive private and public consumption and external debt repayments and servicing. In order to recapture the road to sustainable development, good governance needs to be refocused on governance for meeting the basic needs of the citizens, i.e. poverty reduction in our historical context.

## Résumé

Sur les 4 milliards de pauvres que compte le monde aujourd’hui, l’Afrique en accueille plus que sa part et, en tant que pourcentage de la population totale du continent, le nombre de pauvres n’a cessé d’augmenter depuis les indépendances. Si l’État a joué un rôle essentiel dans le financement de la sécurité sociale pendant la première décennie qui a suivi l’indépendance de la plupart des pays africains, ce rôle s’est amenuisé au fil des années. Malnutrition, taux élevé de mortalité infantile, accès limité à l’éducation de base, nombreux sans abri et autres types d’indignité sociale, sont les traits les plus visibles du déclin des normes de développement humain en Afrique.

Pourtant l’Afrique possède les ressources et le potentiel nécessaire pour surmonter ces indignités, si seulement les recettes publiques étaient utilisées de façon responsable et transparente, si les ressources étaient rentabilisées de manière productive pour atteindre les objectifs humains, et si les autorités s’attachaient en priorité à satisfaire les besoins humains fondamentaux et non les désirs humains superflus.

Dans cet article, nous soutenons que le défi de la bonne gouvernance en Afrique doit commencer par la nécessité de reconnaître et d’accepter ce point de départ fondamental. Dans une république démocratique moderne, la légitimité d’un gouvernement commence par la prise en compte des besoins fondamentaux des citoyens en termes de nourriture, logement, habillement, éducation, santé, sécurité et solidarité sociale ou dignité humaine. Il est malheureux que ces valeurs de base puissent facilement être sacrifiées sur l’autel de “l’orientation du marché” ou des diktats néolibéraux qui s’attachent bien plus aux fondamentaux macroéconomiques qu’aux “besoins humains fondamentaux”.

C’est pourquoi les principaux indicateurs de la réduction de la pauvreté doivent commencer par observer l’amélioration du niveau de vie des populations à l’aune des besoins humains fondamentaux susmentionnés. Trop souvent, alors qu’on pourrait satisfaire ces besoins, les gouvernements africains gaspillent d’importantes ressources en corruption, consommation privée et publique excessive et remboursements et service de la dette extérieure. Pour retrouver la voie du développement durable, la bonne gouvernance doit être recentrée sur une gouvernance au service de la satisfaction des besoins fondamentaux des citoyens, c’est à dire la réduction de la pauvreté dans notre contexte historique.

# **Governance and Poverty Reduction in Africa**

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## **Introduction**

In 1995, the World Social Summit held in Copenhagen identified *poverty* as a major threat to the future of humankind. While poverty was seen as a phenomenon in both developed and developing countries alike, its presence and rapid growth in developing countries was more alarming. In spite of years of progress by the WHO to eliminate communicable diseases such as typhoid, cholera and tuberculosis (TB), they were increasing in developing countries towards the end of the twentieth century. It was also in developing countries, particularly Africa, where more children died before they were five, about 50% of the population could not afford a proper meal in a day and fresh drinking water necessary in the fight against communicable diseases was inaccessible to many poor people.

Yet, elsewhere, in the developed world, governments buy cereals from farmers and destroy them so as to ensure good prices to the farmers. Lack of fresh drinking water is rare experience and education is guaranteed to every child. Many years ago, these societies were as poor as their counterparts in developing countries today, but they have managed, over the years, to overcome the debilitating effects of poverty.<sup>1</sup>

At the World Social Summit participating countries therefore made three main commitments. These were:-

- To estimate overall and extreme income poverty.
- To set “time-bound goals and targets” for the substantial reduction of overall poverty and the eradication of extreme poverty.
- To implement national anti-poverty plans to reach their targets<sup>2</sup>

Thus each participating country was expected to come up with *national anti-poverty* plans, identify and allocate resources for poverty reduction, involve poor people in the formulation and implementation of the projects, specify the targets to be reached and evaluate performance periodically so as to assess the efficacy of the plans.

Since the summit, the fight against poverty has received mixed results in Africa, and relatively little progress has been made. As the UNDP itself observes, developing countries have been expected to eradicate poverty while they themselves have been put on a “poverty diet” by the international community. “Weighed down by external debt, starved of private capital and technology,

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blocked from rich-country markets and faced with declining official development assistance, developing countries cannot be expected to go into battle without reinforcement.”<sup>3</sup> Such reinforcements would entail debt forgiveness, increased inflow of direct foreign investments, better access of exports from developing countries into rich country markets and increase in ODA.

While negotiations have continued to seek to improve this international environment, accusing fingers have been pointed at African countries as not adequately preparing their own *internal environment* for the effective fight against poverty. Indeed, the rapid growth of poverty, and the paralysis of governments to deal effectively with it (notwithstanding the rather hostile international environment) is partly explained by *bad governance* in Africa.

But what is good governance and how can it help improve the fight against poverty in Africa?

It has been argued that it is only when people feel they have a *stake* and a *voice* in the process of development that they will throw themselves wholeheartedly into development. When people have rights and fully enjoy them do they become active and better actors in the process of development. Human rights, therefore, are not a luxurious outcome of the processors of development: they are critical to achieving development.<sup>4</sup>

## Good Governance and Poverty Reduction

Narrowly defined, good governance can simply mean the effectiveness with which a government performs its work and promotes the public good. The public good is largely defined as enforcement of law and order, revenue collection, allocation of resources to meet specific demands, provision of infrastructure and promotion of human rights. Although democracy enhances good governance, the latter is not necessarily equivalent to democracy.

Single-party authoritarian regimes generally lack good governance, as they are easily amenable to corruption and abuse of human rights. Democratic regimes, which are much more open to public scrutiny and periodic tests of legitimacy through elections, tend to be more amenable to good governance.

Yet the mere holding of multi-party elections should not be taken as proof of the existence of good democratic governance. While multi-party elections may be symptomatic of the reduction of the more overt repressive character of the authoritarian state, it may hide beneath it processes of political exclusion, discrimination, corruption and mismanagement of public resources as horrendous as they could be in authoritarian states. Elections, by themselves, are not enough. A democratic political culture involves deeper participation at local levels, less concentration of political power at the center, institutionalization of the rule of law and respect for human rights, including social rights.<sup>5</sup>

Under good governance, a national anti-poverty plan would involve not only policy papers setting out what government intends to do about poverty, but more how the system of government is to be structured so as to enhance participation, accountability, citizenship rights (both political and economic) and political inclusion. Two questions therefore arise; first, can the government draw up antipoverty plans and implement them? In other words, does it have the *capacity* and *resources* to pursue the objective of poverty reduction or eradication? Second, will its plans be supported and sustained over time by the constituencies involved, particularly the poor, and what institutional mechanisms can it put in place for such?

## Capacity and Resources to Fight Poverty

The concern for good governance as a way of dealing with Africa's poverty and economic backwardness is nothing new; it goes back to the nationalist struggles for independence. Whether in the battle cries of the liberation movements for independence in Lusophone Africa, or in the manifestos of the nationalist parties in French and English colonies, the call for freedom and respect for the human rights of the colonized, as a condition for economic prosperity, was always there. Independence was to open a new chapter in the struggle of the colonized against poverty, ignorance and disease.

A quick glance at most of the development plans of African countries soon after independence shows substantial budgetary resources devoted to education, health and physical infrastructure. Except in countries under military rule like Zaire, elsewhere tremendous gains were made by the state to expand education opportunities, avail health facilities and open up rural areas to commercial agriculture and trade. The state built schools, hospitals, roads, markets and universities. The state also established banks and credit institutions through which wealth not poverty could be created and African businessmen helped to acquire capital. State corporations marketed agricultural produce, sold fertilizers to farmers and organized external trade.

After the first decade of independence, however, it became clear that state intervention in the economy was not necessarily leading to sustained wealth creation that could improve the lives of the poor. Rapid economic growth spurred by this kind of interventionist state had led to wealth being concentrated within a small and corrupt privileged elite<sup>6</sup>, quite often defined by its ethnic origin,<sup>7</sup>. In such countries, politics also remained the preserve of this elite, with the state assuming an increasingly authoritarian character<sup>8</sup> or openly being seized by the military. Military rule, almost a cross the board, led to economic stagnation and increasingly poverty.

Stagnation and declining growth led to a special summit of the Organization of African Unity (OAU) in Monrovia in 1979 to discuss Africa's economic future. The outcome was the *Lagos Plan of Action*<sup>9</sup> and the *Final Act of Lagos*, both of which envisaged substantial inflow of aid and investment into Africa to kick start economic growth. But the LPA received little attention either from the African governments or from donors. It never received resources for its implementation.

In 1981, the World Bank published a study by the Bank's African Strategy Review Group, led by Professor Elliot Berg, which sought to evaluate policies and performances of African governments and economies, and to recommend an agenda for accelerating development.<sup>10</sup> The report noted that one of the major obstacles to development in Africa was the overgrown and corrupt public sector. The state had become involved in too many economic activities in the agricultural, service and industrial sectors. Production in agriculture had gone down due to low farm gate prices for agricultural produce, inefficient marketing boards, and expensive and difficult to obtain agricultural inputs.<sup>11</sup>

Thus, rather than enrich the peacountry, the state had impoverished them.<sup>12</sup>

In the industrial sector, protected input substitution industries became high cost producers, producing non-competitive commodities for both domestic and external markets and generally stifling industrialization. The service industry had fared no better where the state was in the driving seat.<sup>13</sup>

The Beg report recommended that the state needed to be rolled back and the role of the private sector in the economy enhanced. This could give proper *incentives* to the private sector to invest, create jobs and reduce poverty.

"The first and major change needed to improve industrial performance and lay a sounder base for long-term development is a reform of the incentive structure for industry. The essential requirements are to increase the incentives for industrial exports, to reduce protection for input substitution, to reduce the extreme variation in production among industries, and to phase out direct controls". (p 96).

This clear direction of change in terms of economic governance was highlighted by the emphasis given to the private sector in the reform process. Noting that Bangladesh had improved her agricultural production by privatizing fertilizer distribution, the report recommended that public enterprises involved in such activities be *privatized*, and the private sector should contribute to the distribution of inputs to the farm level, and to their importation and wholesale distribution, thereby enhancing opportunities for the poor to improve their income.

But mere state disengagement from the economy may not guarantee a better deal for the poor. Private sector monopoly and inefficiency can easily replace removal of state monopoly and inefficiency if the state does not provide an effective regulatory framework and proper taxation mechanisms to raise sufficient resources to finance social welfare.

Russia has already become a textbook case of "privatization gone wrong" and a recent study of privatization in Kenya also shows the dangers of privatizing in a context where institutions are weak, laws easily ignored and laid down procedures undermined without serious penalties from established authority.<sup>14</sup> In both Russia and Kenya, if corruption is simply transferred from the public to the private sector, the state will gain little revenue for financing public projects, including poverty-reduction ones. The secret lies in one phrase: "lack of accountability" or "ineffectiveness in systems of accountability."

In its "Poverty Report", for the year 2000, the UNDP has noted the importance of governance as "the missing link" in the fight against poverty. Governments may write good plans for poverty-reduction, raise revenue to implement such plans and even identify targets and yet fail to deliver anything tangible in terms of poverty-reduction. The "missing link" here are responsive and accountable institutions between anti-poverty efforts and poverty reduction. To get poverty reduction fully on the agenda of public policy, good governance is needed to enhance the capacity of the government to deliver and to be accountable for the resources at its disposal.

## **Good Governance and Capacity Building in Government for Poverty Reduction Strategies**

Good governance can enhance capacity building in government for implementing poverty reduction strategies. This can be accomplished through institutionalizing the following:-

- *Basic Political Order*: where internal conflicts and war have undermined public authority in almost all spheres of life.
- *Political Legitimacy*: through periodic free and fair elections during which results are acceptable to both winners and losers.
- *The Rule of Law*: as an aspect of government without privileged regard to any individual on the basis of tribe, region of origin, race, sex, income or any other ground for discrimination.
- *Popular Participation*: in policymaking and decisions on resources allocation from the grassroots to the national level.
- *Effective formulation and Review*: of public of public policies to avoid the 'routine' making of "plans" as a response to donor pressure or "external conditionalities"

### **(a) Creating Political Order**

In the Great Lakes Region, the Horn of Africa, the Mano River Basin, and the Niger Basin countries have been rocked by internal conflicts and civil strife that make it difficult for people to engage in any productive activities to improve their lives. In these war-torn countries, the settlement of conflicts, the establishment of peace and the creation of basic political order are necessary conditions for good governance as a prelude to fighting poverty.

As the recent experience in Somalia shows, conflicts settlement is difficult to initiate from within the country in which conflict occurs: it needs external intervention. This intervention is likely to be more successful when it is initiated within the region, involving all regional governments with interests and stakes in the conflict.

In the case of conflict settlement in Somalia, the initiative by the Inter Governmental Authority on Development (IGAD) led by the Djibouti President has demonstrated the following:-

First lesson is that internal conflicts in African countries cannot be settled purely from within; they need external intervention. But the external intervention that comes in purely military form, whether by multilateral arrangement or otherwise, is less likely to succeed unless accompanied by other forms of civilian initiative.

The second lesson is that civilian or civil society initiatives, by themselves, are unlikely to go far unless supported by governments that have some direct interest in an internal conflict.

Third, when such governments join forces with civil society actors, they are unlikely to go far unless they involve all the forces engaged in conflict, including their representatives and surrogates.

Fourth, the choice of such representatives and surrogates can itself lead to failure or success of a reconciliation and peace building process. In the case of Somalia, the basic point of reference was the “tribal lineage”. Within this category, all social forces had to seek representation. It emerged in the end, however, that many people complained in retrospect that they were not represented because they were not in Djibouti.

Fifth, a wide consensus of international actors is necessary for the success of a peace building and reconciliation process. Quite often, internal actors have their external support systems that may even be more entrenched against any peace process being institutionalized. In the case of Somalia, the total collapse of the state and extreme fragmentation of the internal forces reduced the stakes that external interests may have had in supporting any particular faction in using force to maintain supremacy. Moreover, Somalia is not the DRC where control of territory coincides with control of certain resources that are of vital interest to external actors. On the contrary, the EU, USA and UNO have all been interested in the peaceful settlement of the Somali crisis after so many years of conflict and instability.

But in all this, the role of the *military* is critical.

### **Civil society, the military and multilateral arrangements**

The military is a force that is driven by the state; civil society, in a situation of conflict, has very little control over the military. The military acts through direction; it is not easily amenable to discussion and debate after orders have been given. That, perhaps, is why the UN forces failed so miserably in Somalia. They did not envisage that, with the situation on the ground being very different from what they had assumed when orders were given to move in, they needed to change tactics and not go full blast against what they perceived as the stumbling blocks to peace in Somalia.

Peace keeping forces, for that matter, can only be successful in their endeavors if, among the forces in conflict, there are shared interests to creating or restoring a political community. During the early days of the conflict in Somalia, there were no such shared interests among the warlords and their followers. Each fighting force believed in its right to exist and to impose its will over the others. Thus any attack by one faction on the UN peace keeping forces would actually be met with approval from the other factions, albeit they were also sworn enemies among themselves.

Quite often multilateral peace keeping forces do not realize the extent to which the primacy given to peace may be very low in situations where a sense of a shared political community has long been lost. To recover it takes time. In the case of Somalia, this recovery process has involved a time frame during which factions realized that they had fought themselves to a stalemate. Moreover, the followers of factional leaders also realized that, once the rule by factional warlords was stabilized, they had less to gain from it than they had in the “lost political community” that was the Republic of Somalia.

Further, as the conflicts continue over time, it is not always easy to sustain them. Except in situations like DRC, Angola and Southern Sudan where access to resources may be exploited as a source of sustaining conflict, elsewhere the absence of such resources may actually aid the disenchanted with conflict and a tendency to search for a negotiated settlement. This, perhaps, may explain why Dhlakama and Renamo moved faster towards reconciliation with Chisano and Frelimo while Savimbi’s UNITA has been reluctant to conclude lasting peace with the Luanda regime in Angola.

Where forces in conflict are reluctant to come to the negotiation table because substantial benefits accrue to individual leaders of parties to the conflict, the strength of *civilian organization* can be the saving grace for peace building if the civilians themselves are for peace. External intervention needs to establish bridges with the civilians ahead of any initiative to propose peace negotiations to the leaders. *Civil society* organizations and *leaders* will be critical in this regard.

In the case of the Somalia peace initiative, Abdi Mohamed<sup>15</sup> notes that a delegation from the mediation committee visited Puntland to resolve a dispute with the local administration over participation in the planned conference. *Through the intervention of the traditional elders*, the Puntland president agreed to send a delegation to the elders meeting in Djibouti. *The population in Mogadishu*, where factional leaders had vehemently attacked the Djibouti initiative, *hugely welcomed the visiting mediation delegation*. Another controversial region where the delegation was acclaimed was Bay. Here the factional leader had rejected the offer to attend the conference in Djibouti. The most difficult spot for the delegation was Somaliland whose authorities *refused the delegation to disembark from the aircraft*.

Precisely because the factional leaders had established forms of social and political order in their various regions and allowed for the evolution of civilian life, they exposed civil society to a certain amount of autonomy from the political leadership. Access to this civil society by the initiators of peace becomes very important in isolating belligerent military and political leadership in establishing dialogue bridges. In the case of Somaliland the factional leadership denied any possibility of such bridges being established by simply stopping the plane carrying the negotiators from landing.

In the case of Eastern Congo, where factional leaderships have hardly established any stable political administration and civil society is in disarray, it may be more difficult to use the approach of the Djibouti peace initiative. As an intermediate step towards negotiations, it may be necessary to stabilize factional control of various areas of Congo in order to establish an enabling environment for negotiating peace. The only danger here is that such move towards stabilizing factional rule

may also increase their desire to stay in power longer since they may, through stable rule, have stable access to valuable resources such as minerals. So each situation may require different approaches.

## **Peace building, civil society and governments**

It is clear that, in the case of Somalia, civil society had been ready for peace negotiation well ahead of their factional leaders or factional governments in the various parts of Somalia. The “missing link” was how these factional governments could be brought together to begin the peace process. It is quite clear that, given the selfish interest of leadership in each factional government, none of the factions were ready to initiate peace dialogue. External intervention was necessary to bring them together using pressure from civil society in each situation.

Prior to the beginning of the peace initiative, a number of political leaders had been invited to Djibouti to be briefed on the initiative. Here they found that Somali intellectuals, various leaders of various organizations, within and outside Somalia, had been engaged in consultations, and a consensus was emerging for peace. Further, governments within the region from whence they received external support were also in the peace bandwagon. Thus the leaders felt sufficiently isolated not to be too belligerent.

But the process became even more portent when all interested parties were involved: the factional governments, clan elders, intellectuals, women organizations<sup>16</sup>, businessmen and professional organizations. The fact that the Somalis living abroad have been well organized was important. They have more or less maintained a political community while living outside, however lose this has been.

When, on the other hand, governments have more control over their people in a situation of conflict; initiating peace from civil society can be difficult. Hassan Abdel Ati<sup>17</sup> has shown how peace initiative became more feasible the more the “governments” in both North and South Sudan became weakened through political strife and factionalism. While these governments were stable and strong, holding to their dogmatic views, from the seventies to the early nineties, there was very little prospect for serious dialogue. Various attempts failed.

“Last year, following the split within the ruling National Islamic Front (NIF) party, witnessed one major positive development, that is the call for national reconciliation from all parties to the conflict and the difficulties it face. Almost all parties to the conflicts (Government, NDA, SPLA and other political parties out of government) have declared:

- That there is no military solution to the Sudanese problem;
- Their intention to resolve the conflict peacefully; and
- A call for a national gathering (conference) to discuss the problems.”

Ati further concludes that the result of these splits and emergence of diverse factions does not only weaken the major controlling forces (SPLA and NIF), but also undermines their legitimacy as “the representatives of the people”. He notes:

“That means that (a) it can hardly be said that the Sudanese people are represented and, (b) other than the fatigue referred to earlier, it is difficult to see the pressing power that could force a settlement that addresses the root causes of the problem. Here arises the need for the role of civil society as the main stakeholder and beneficiary of the resolution of the present conflict.”

In the case of Sudan, Non-Governmental Organizations (NGOs) have emerged to play a major role in civil society after the repression of various forms of civil society organizations in the

1980s. These NGOs are engaged in activities related to the basic needs of the people. They have good external contacts, they are wide spread in Sudan and they have power of leverage over the state since they perform functions which the state can no longer perform—even with regard to security in certain places. They have provided an environment for the emergence of civil rights groups, particularly as the “governments” have been weakened through factionalism within the ruling elite.

NGOs, argues Ati, represent the one party that is not seeking or competing for power, yet seeking a comprehensive solution that addresses the root causes of the problems. The emphasis of most other parties are normally focussed on power sharing system that, in most cases, serves the interests of the conflicting parties which might not necessarily be in the interest of the masses and hence might not be sustainable.”

In the final analysis, notes Ati, the involvement and active participation of civil society organization in peace building in Sudan is important. It is not only critical because of the conflict fatigue suffered by the warring parties and the foreign sponsors of negotiation (IGAD, Egypt and Libya). It is critical because it guarantees a settlement on the basis of what the Sudanese people want rather than what the warring parties perceive as what they want.

According to Ati, civil society organizations also provide an example of the society people are looking for, e.g. one that is characterized by:

- Coexistence and cooperation of various ethnic and religious groups
- Democratic foundation and system management
- Transparency and clear systems of accountability, and
- Clear objective and specific plans to realize them.

Societies that have lived in unstable and unpredictable conditions for long finally force their members to look for certain very fundamental things in life: security, stability, predictability and order. Since the “governments” they have lived under have hardly guaranteed these for long, a peace initiative that promises to deliver these will most likely be fully embraced by various members of that society irrespective of the belligerence of the “governments” they live under. The Somali case is already demonstrating this; one wonders whether Sudan will soon follow. One wonders, too, whether Sierra Leone, the DRC, Angola and any other potentially explosive situation will avoid further conflict and seek to institutionalize peace.

Looking at all the conflict ridden regions, it is noted that they all have regional organizations that can play similar roles to IGAD. In the case of the whole of West Africa, the Economic Community of West African States (ECOWAS) establishment of ECOMOG (the ECOWAS Monitoring Group) to re-establish peace in war-torn Sierra Leone achieved substantial success in spite of international skepticism. Similarly, the Mano River Union, in which Guinea, Liberia and Sierra Leone are members, could work closely with ECOWAS to reduce internal conflicts in its member countries. The Niger Basin Authority, encompassing Benin, Burkina Faso, Comoros, Chad, Cote d'Ivoire, Guinea, Mali, Niger, and Nigeria can similarly be challenged to be a framework for a regional peace initiative.

#### **(b) *Institutionalizing Political Legitimacy***

As Africa enters the new millennium, there seems to be renewed hope that, with improved governance, economic growth can once more be rekindled and poverty reduced. The wave of multi-party elections that have been held across the continent are given as indicators of growing

democracy and good governance. The smooth changes of government through democratic elections in Senegal, Ghana and Benin are cited as testimonies to maturing democracies and institutionalizing good governance.

Yet there are cases of “fixed” electoral contests like in Tanzania (particularly on the island of Zanzibar), Cote d’Ivoire (with the disenfranchising of Alissane Quattara from Presidential and Parliamentary elections on the pretext that he is not a citizen) and constitutions which do not provide for fair representation in legislatures due to excessive powers given to incumbent executives to nominate members of parliament (as in Zimbabwe).

Following such “elections”, established authority may be regarded as illegitimate by large sections of the population who feel cheated by the electoral contest. The result may be open rebellion, acts of sabotage or sporadic incidents of violence as signs of protest against *political exclusion*.

For a democratic election to produce a legitimate government, winners need to celebrate victory while losers accept the results as fair.

Following the October 2000 elections in Tanzania, the Civic United Front (CUF) felt cheated in the elections on the islands of Zanzibar and Pemba. Since then, there have been sporadic bomb attacks on the offices of the Electoral Commission, creating a general atmosphere of uncertainty and insecurity. Such an atmosphere is destructive to investors, both domestic and foreign. Investors are usually more willing to invest in impersonal markets where property rights are protected, contracts less costly to enforce and government policies relatively credible. Property rights will be protected, contracts enforced and government made *credible* and *legitimate* when laws are in place to register and enforce rights and obligations, including the rights to vote and choose representatives freely and fairly. When constitutional, legislative and electoral rules make it hard to change laws and procedures arbitrarily, then governmental legitimacy becomes more institutionalized to ensure that legal and bureaucratic systems function effectively, efficiently and relatively honestly. Such institutionalized legitimacy is good for business, job creation, income generation and hence the fight against poverty.

### **(c)     *Institutionalizing the Rule of Law***

A legitimate and democratic system of government needs to be based on the rule of law. This means that, on the basis of rules and regulations laid down by the legislature, implemented by the executive arm of government and adjudicated by the judiciary (in the event of a dispute), individuals will seek to maximize their interests as citizens endowed with rights and obligations by the state. While accepting basic human rights as inalienable, the rule of law assumes every citizen will assimilate the principles and ideals of citizenship as the basis of exercising his or her rights and claiming the same from the state.

It has been observed that in Africa, institutionalizing the rule of law has been problematic in two ways. First as a result of colonial rule when individuals were regarded by the state as *subjects* and not *citizens*, individuals have continued to relate with the public realm in an alienated fashion. They are much closer to their family and clan ties, which Peter Ekeh regards as “the first public”.<sup>18</sup> Hence little regard is given to obligations to obey the law in the “second public”, the state. An individual regards it as ethically correct to misappropriate government funds as long as this goes a long way to satisfy family and kinship demands. It is this “politics of two publics” which has buttressed corruption — hence growing underdevelopment and poverty — in spite of the existence

of the plethora of laws and regulations against corruption and misuse of public resources.

Second, since individuals seem to benefit from the state only when “one of their own ‘privatizes’ the state”, the significance of citizenship rights has more or less been lost. The services that the state used to provide soon after independence — education, health care, social security and law order — having largely disappeared, individuals do not feel engaged with the state”. They do not feel they have a stake “in the second public”, hence their propensity to meet public obligations in terms of paying taxes, for example, is low; their interest to claim any entitlement from the state almost negligible.

For the rule of law so vital for good governance to be institutionalized, African governments need to “re-engage their peoples” and enhance their *citizenship* rights.

Citizenship rights have been defined as “rights to basic standards of civilized living” which include health, education, shelter, social security, security and human rights. It may be argued that governments in Africa, due to lack of resources, cannot guarantee their citizens such rights. Even if this were the case, they must at least show a commitment to enhancing opportunities for the realization of these rights.

### (c) *Enhancing Popular Participation*

Democracy is premised on the fact that the ruled (the people) participate in a process of freely electing their rulers (the governors). Participation, however, goes much further beyond elections. It must also embrace daily acts of decision making, policy formulation and resource allocation from local level institutions of government to the national level. Democratic participation, or popular participation, also assumes that formal institutions of government make policies and allocate resources on the basis of interests, preferences, ideas and biases from multiple sources in *civil society*.

Quite often, the more-organized sectors of civil society seem to have more access to the state than the less organized and less articulate. When interests are not expressed and demands not made, they tend not to be “processed into” policy making and they can be ignored when scarce resources are being allocated by government authorities.

Since the “democratic opening” of the late eighties and early nineties, civil society organizations have mushroomed in Africa to promote democracy, civic education, small enterprises, human rights and the fight against poverty. Most of these organizations are urban-based, middle class led, single issue oriented and donor supported. While they may quite often ably articulate the issues of the poor and advocate pro-poor policies for governmental action, they are rarely in a position to mobilize the poor to speak for themselves. Indeed, in certain African countries, attempts to mobilize the poor independent of the state, even when a government appears to be relatively open, can be regarded as criminal or even treasonable. The poor, therefore remain relatively unorganized, powerless and marginalized in terms of raising their voices in public policy making, or in terms of participation in public affairs. So called active civil society is confined to a small layer of elites that is relatively articulate and close to the centers of power. The extent to which their ‘voice’ lead to better economic dispensation for the poor remains problematic.

In few African countries have attempts been made to decentralize political power and enhance popular participation within local authorities and local governments. In the Republic of South Africa, the system of local government allows for active election by the people of their representatives to local authorities where substantial decisions are made regarding allocation of local financial resources and provision of services. The central government continues to raise the

lion's share of the revenue since provinces generate only 5% of their revenue needs. The central government sets the policy frameworks and disburses funds to lower levels in accord with the responsibilities devolved to them for supplying basic education and health care. As in other case of decentralization, lower levels of government have increased responsibilities but not increased control over funds.<sup>19</sup>

In Kenya, on the other hand, local authorities have remained weak, both in terms of raising their own revenues as well as being in charge of services at the local level. Since 1974, the central government has assumed financing and running health and education nationally, reducing county councils to peripheral services like running markets, and providing municipal water and sanitation. But even in the latter regard municipal governments have performed inefficiently, leading to the mushrooming of neighborhood organizations to provide security, sanitation, garbage collection, water and even to collect rates for electricity.<sup>20</sup> Thus weak governance at the local level has given "political space" to the emergence of autonomous people's organizations in the form of "neighborhood associations" that are perhaps more legitimate and more representative of the people's interests.

In Ghana, the restructuring of local governments has given more scope of redressing local concerns without prior clearance from the regional governments within the national framework for poverty reduction. Of the national budget known as the *common fund*, 5% is distributed to districts, which are further instructed to use 20% of this for poverty reduction activities. Districts also raise revenues through local taxes and have the authority to negotiate directly with donors for district level projects.<sup>21</sup>

In Uganda, the government has been attempting to devolve greater authority to local levels to fortify the campaign against poverty. But the local authorities lack resources and the bulk of the poverty reduction projects are donor-dependent in spite of the Local Governments Act of 1997 that gave authority to local councils to raise revenue and initiate development projects. To make use of these powers, Uganda needs to create wealth first; hence the need for an overall strategy for massive investments in the productive sectors nationally.

In the final analysis therefore, the litmus test for the fight against poverty in Africa is rapid economic growth in national economies. At this level, the competence of national governments to induce and manage economic growth needs to be looked into.

#### **(d) *Institutionalizing Effective Public Policy Making for Poverty Reduction At the National Level***

In 1999, the UNDP carried out a survey of countries and their commitment to the agenda for poverty eradication adopted at the World Social Summit in 1995. The survey revealed that more than 75% of the countries had established estimates of overall and extreme income poverty; more than 66% had anti-poverty plans but fewer than 30% had set targets for poverty reduction.<sup>22</sup>

This low "turn-out" in target setting, pronounced in the Arab States, Europe and the Commonwealth of Independent States, can be explained in two ways. First, governments led by privileged elites are more likely to accept formal commitments to the poor that can enhance their legitimacy and "international acceptability" than to actually commit domestic resources to meeting the needs of the underprivileged. Second, the higher "turn-out" in target setting in Africa and Asia/Pacific may well have been as a result of the expectation of the in-flow of donor funds should these government demonstrate seriousness in the fight against poverty.

The UNDP further found that the seriousness with which a government took the fight against

poverty could be determined by the ministry or government department within which the poverty program was “housed”. Thus, if it was under the Ministry of Sports and Social Welfare that was indicative of its relative unimportance to central authorities; an indication of its importance would be for the President’s office or the Ministry of Finance, Planning and Economic Development to take charge of it, as in Uganda.

The significance of the location, however, does not mean that much funding goes to poverty reduction. The problem, here, however, is that reliable statistics are not yet available to assess the relationship between effective governance measured in terms of appropriate identifying of pro-poor projects and financing them and poverty reduction i.e. improving the living standards of the poor in terms of food, housing, clothing, education, social security and human rights.

It is important that African governments, like their Chinese counterpart, establish achievable and measurable targets for poverty reduction. So far, only the Republic of South Africa seems to have come anywhere near providing data to this effect.

Since the inception of its Growth, Employment and Redistribution Strategy was initiated in 1996, the government has focused on availing basic social services for the poor 4.5 million people have gained access to potable water, and 600,000 inexpensive houses are under construction for the poor. There are now free and compulsory 10-year education and free medical care for pregnant women and for children under six years of age. Many of these gains are due to reallocation of resources which is consequent upon the breakdown of apartheid and the democratization of society.<sup>23</sup>

In South Africa, political parties, with their roots among the poor African communities, would find it difficult to gain support without serious attention to poverty issues, and that includes the ruling party, the African National Congress (ANC) and its close association with both the Communist Party and COSATU.

It is no wonder, therefore, that the government’s anti-poverty policies unlike elsewhere in Africa, are comprehensive and much more results oriented. The primacy given to the poverty program is more to do with the *social base* of the political power of the ANC rather than anything else. This, perhaps, is an important indicator to the issue of governance and the fight against poverty. That is, until African countries get *social forces* that achieve state power on the basis of the *organized* political power of the poor, little will be achieved in terms of the effective *internal* allocation of resources for poverty reduction.

Political parties elsewhere in Africa come to power not necessarily through the mandate given by the poor as an organized constituency. By and large, they come to power as coalition of elites representing various region and ethnic groups who seek legitimacy through horizontal distribution of national resources rather than through vertical distribution of such resources. As such, a government may consider itself “legitimate” simply by putting together a working coalition of such elites and appeasing their constituencies by the targeting allocation of jobs, projects and honours with little effect or impact on the poor. Such “legitimacy” can be periodically renewed by skillfully appealing to tribalism, regionalism or religion, thereby keeping the poor away from making concrete demands on national resources to improve their conditions.

#### **(f) Competence of Political Action and Good Governance**

In a recent study of 8 African countries (Benin, Cote d’Ivoire, Togo, DRC, Kenya Tanzania, and Namibia) with regard to their competence in development and political action, the Hans-Seidel Foundation found that competence of political action is highly correlated with the

institutionalization of good governance.<sup>24</sup> At one extreme, governments which are threatened by war and civil strife are unlikely to formulate any meaningful development policy beyond training its army and defending itself from a coup d'etat. At the other extreme, governments which are established under the rule of law, are highly legitimate and depend on institutions and not individuals for major decision-making are more likely to pursue long-term development goals based on substantial mobilization of resources.

Looking at four areas of public policy (law and the political system, public administration and national budget, economic and development policies and social and ecological polices) the survey found that South Africa and Namibia systematically scored highly in terms of positive policies and sustainable development while the DRC and Tanzania scored rather poorly.

Observing these countries in terms of social and ecological policies (social welfare, health, education, population and environment policies), the study found that for all the eight countries, a “Village Poverty”, has emerged which was never been there before, in the wake of the Structural Adjustment Programs (SAPs). In both Tanzania and Benin, the extension of health and education to wide sections of the poor, though frustrated by the bureaucratic bourgeoisie during “state socialist phase”, has now been more or less halted by “village poverty”. In the case of Kenya, Cote d'Ivoire and Togo, less access to good public health care and education has led the elite to invest in high cost private schools and health facilities, leaving the less endowed public health and education systems to the relatively poor and underprivileged. Even here, the elimination of fully funded public health and primary education by the state has led the exclusion of the poor altogether from access to any health care or primary education. “Village poverty” has hit the poor very radically even in the more prosperous African economies like Kenya and Cote d'Ivoire.

## An Agenda for Good Governance and Poverty Reduction

If good governance is the “missing link” for fighting poverty in Africa, what, in summary, should be the agenda for fighting poverty through good governance in Africa?

First, *democratic values* should be accepted in Africa as universal. The excuse that cultural differences necessarily make human rights, the rule of law, the principle of citizenship and universal adult suffrage only “partially applicable” to Africa can be a good recipe for intolerance, authoritarianism and institutionalized illegitimacy for African governments.

Second, *peace as a condition for good governance* should be given priority by African governments and sub-regional organizations. The settlement of internal conflicts will not only relieve the people of death and destruction, it will also open up enormous resources for development in Africa. Currently the vast mineral and agricultural wealth in Angola, DRC and Sudan is simply going to waste.

Third, *economic development* cannot be left to chance in Africa; it must be consciously planned for and adequately financed by governments democratically put in power by the people. In this regard, rapid economic growth and social welfare must be seen as sides of the same coin; one must not be sacrificed for the sake of the other. Under very difficult conditions, the example that the Republic of South Africa is trying to set needs to be emulated.

Fourth, given the rather difficult international environment, African countries must enhance their *bargaining power* with donors, foreign governments and multilateral agencies by “putting their own house in order” through good governance. For example, the case for debt forgiveness has often been shot down under the argument that external indebtedness is largely due to African

ruling elites exporting capital abroad to numbered bank accounts and buying luxurious real estate.

*Zero tolerance for corruption* and stopping illegitimate repatriation of capital will be necessary if the debt forgiveness argument is to be made with moral force. Likewise, substantial inflows of foreign direct investments are likely to follow a demonstration by Africans that they have confidence in their own economies and homegrown democracies.

Fifth, there are *certain externalities* to the fight against poverty that go beyond the reach and ability of African governments. These can be grouped together as “natural disasters” and “emergency situations” requiring global governance approaches.

*National disasters*, like the recent flood in Mozambique, can wipe out vital resources that this poor country may have had for economic development, let alone poverty reduction. To overcome such a disaster, Mozambique surely needs substantial help and support from the world community of nations. When such disasters are not adequately responded to, they aggravate the poverty situations in such countries.

*Emergency situations* include the influx of refugees and internally displaced persons as well as the HIV/AIDS epidemic. In Southern Sudan there are perhaps as many internally displaced persons as there are Sudanese who leave that region as refugees in Kenya, Ethiopia and Uganda. While the UN system has paid some attention to the refugee phenomenon, little attention has been given to the phenomenon of internally displaced persons by international organizations. The extent of poverty in refugee camps, including the eating of animal feed supplied by the UNHCR, cannot be compared to the almost sub-human conditions that internally displaced persons suffer in Southern Sudan.

The HIV/AIDS epidemic, where Sub-Saharan Africa is recorded to have two-thirds of the world’s 34 million people living with HIV/AIDS, is a global problem that needs a global solution. As the UNDP *Poverty Report 2000* observes, within the next decade, 40 million children in Sub-Saharan Africa will lose their parents to AIDS. The epidemic is creating new poverty and intensifying existing poverty—drastically cutting short people’s lives, for example. In nine countries in Sub-Saharan Africa (Botswana, Kenya, Malawi, Mozambique, Namibia, Rwanda, South Africa, Zambia and Zimbabwe) people are expected to lose an average of 17 years of life to AIDS in the early part of this century.<sup>25</sup>

A global action program, embracing public awareness as well as availability of preventive measures such as use of condoms, needs to be sensitive to the limits of such a program among poor communities where religion and traditional beliefs may play negative roles. It is the effectiveness of preventive measures that will ease pressure of the sick on the scarce hospital facilities currently available in African countries.

Sixth, for African governments to be actively and positively committed to poverty reduction, they must be consciously aware that poverty is antithetical to the enjoyment of full *citizenship rights*. This means that any public allocation of resources that does not incorporate improving the basic needs of the poor, water, health, food, shelter, education, social security cannot be regarded as pro-poor. Performance indicators should be developed for African countries that should annually measure their achievement at poverty reduction in terms of the aggregate number of poor people “raised out of poverty” and sustained in terms of well being over time.

Seventhly, while poverty reduction programs must target the poor, they must not do so benevolently. The poor need to be engaged in shaping their own destiny through well-informed *participatory politics*. Among the poor, women and children are quite often the most unheard, hence the most by-passed in policy making and policy formulation. This is particularly so in the

area of health and education.

The reality of reproductive health in Africa shows that the region still has very high infant mortality, particularly among relatively younger mothers. Poor women had to have more children in their teens than better-to-do women. Only 18% of these poor women use contraceptives, making them highly vulnerable to STDs and HIV/AIDS.

Early and frequent child bearing means that 1 in 5 women in Africa dies in pregnancy or childbirth. To reduce the possibilities of girl marriages, better and safer opportunities and facilities for the education of girls will be needed. African governments need to expand access to education for girls and economic opportunities for women. This will require substantial financial contributions from governments for good public education.

Better educated families are much more likely to make better decisions about family planning; this has been found as an invariant factor in all societies. Better-planned families will, in turn, lead to increased abilities of families to invest in quality education for the children. This will further complement the government's efforts in investing in public education, hence the general increase in standards of education.

With better education, attention to primary health care needs will also increase, reducing the incidence of sexually transmitted diseases and cutting down on the medical bills.

That is the cycle of chain effects which substantial public investment in health and education is likely to trigger. If cannot, therefore, be over emphasized that the route towards poverty reduction lies in human resources development. This is not to mention the fact that an educated populace ends up to be a source of more productive labor than an ignorant populace.

Eighth, the deterioration of land quality, in combination with poor agricultural practices and policies, has left Africa less able than ever to feed herself. Food output per person has dropped by 16% since the early sixties. This is one of the main reasons why close to 40% of Africans are chronically undernourished and nearly one in three children go hungry everyday. This malnutrition is a major factor underlying continuing high rates of child mortality, high rates of primary school drop outs (especially among girls), and poor performance in school in general among children from poor rural communities.

Agricultural and land policies need to respond to rapid investment requirements for capital and technology in agricultural production. Reliance on subsistence peasant agriculture will not take Africa far.

Ninth, governments need to take actions which are related to their public policy commitments. Where public actions are at wide variance with stated policies, people tend to lose faith in government and the government in turn, ceases to inspire individual initiative and entrepreneurship. If private sector investment is to be a critical component in the fight against poverty, then it would be disastrous if the talk about poverty reduction remains simply at the level of stated public policies rather than achievable targets.

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