

New Partnership for Africa's Development (Nepad) More Dams, Less Water

This paper assesses the Nepad document's approach to development, with specific reference to water, developing a critique of Nepad by making extensive reference to the document itself.

From Map and Omega to Nai to Nepad

The New Partnership for Africa's Development (Nepad) can be traced back to developments in the late 1990s. It was then that Thabo Mbeki, President of South Africa, announced the "African Renaissance", in effect acknowledging the grim reality of life on the continent and promising to bring about substantial change for the better.

Over the next few years, there were attempts to convert this concept into a programme, a programme which underwent various name changes. In mid-2000, Mbeki elicited the support of Abdelaziz Bouteflika from Algeria and Olusegun Obasanjo from Nigeria for the "Millennium Africa Recovery Programme" (Map). By mid 2001, this plan had been merged with the "Omega Plan", put forward by Abdoulaye Wade of Senegal, and came to be known as the "New Africa Initiative" (NAI). But within months, it was known by another name. The "New Partnership for Africa's Development" (Nepad) was announced by several African heads of state in Abuja, Nigeria, in October 2001.

An initiative by Africans for Africans?

The Nepad document claims to represent an initiative by Africans geared towards eradicating poverty and ensuring sustainable growth and development. Throughout the opening chapters, the document promises a process of development led by the people and governments of the continent:

Across the continent, Africans declare that we will no longer allow ourselves to be conditioned by circumstance. We will determine our own destiny and call on the rest of the world to compliment our efforts...

the challenge is for the peoples and governments of Africa to understand that development is a process of empowerment and self-reliance. Accordingly, Africans must not be wards of benevolent guardians; rather they must be the architects of their own sustained upliftment...

The New Partnership for Africa's Development centres around African ownership and management. Through this programme, African leaders are setting an agenda for the renewal of the continent. The agenda is based on national and regional priorities and development plans that must be prepared through participatory processes involving the people.¹

However, a closer analysis of the manner in which the document was developed, the content of the document itself and the political processes subsequent to its release suggest that it does not measure up to the claim of being an initiative for Africa by Africa.

Consulting with the North

Nepad has been heavily criticised for the way in which it was developed. Mbeki has spared no effort in promoting Nepad and its predecessors in the international arena. His first major attempt at promoting Map, a visit to Japan with Bouteflika and Obasanjo at the time of the G8 meeting in July 2000, was met with disinterest by the world's most powerful political leaders.

¹ New Partnership for Africa's Development (Nepad), October 2001, 7, 27 and 47

But he and his allies persisted in selling the initiative at every opportunity, including the World Economic Forum (WEF) in Davos, Switzerland, in January 2001, the G8 meeting in Genoa, Italy, in July 2001, and the WEF in New York, United States, in January 2002. They have been aided by the heads of the World Bank and International Monetary Fund (IMF), James Wolfensohn and Horst Kohler, in gaining support from leaders on the African continent. In June last year, they succeeded in getting Nepad onto the agenda of the G8 meeting in Kananaskis, Canada, and in June this year he did likewise at Evian in France.

Critically, these approaches to the North have taken priority over consultation on the continent, with a handful of presidents driving the process. The document was presented to other African leaders at Abuja in 2001 and at the launch of the African Union in Durban, South Africa, in 2002 as a fait accompli. The people of the continent were excluded from the process of developing the document.

Partnership with whom?

The politics around its development are reflected in the contents and, indeed, the title of the document. The title, read together with the claims in the opening chapters that this is an African process, raise the expectation of partnerships between countries and regions of the continent and between people and governments on the continent.

Previous continental initiatives have prioritised the development of strong regions and sectors on the continent and stressed the importance of being aware of the dangers posed by transnational corporations for the people of the continent. In 1980, the Organisation of African Unity agreed to the Lagos Plan of Action and to implement it as follows:

1. During the decade of the 1980s to:
 - (a) strengthen the existing regional economic communities and establish other economic groupings in the other regions of Africa, so as to cover the continent as whole (Central Africa, Eastern Africa, Southern Africa, Northern Africa);
 - (b) strengthen, effectively, sectoral integration at the continental level, and particularly in the fields of agriculture, food, transport and communications, industry and energy;
 - (c) promote co-ordination and harmonisation among the existing and future economic groupings for a gradual establishment of an African Common Market.

2. During the decade of the 1990s to:
 - (a) take steps for further sectoral integration through: harmonisation of our strategies, policies and economic development plans; promotion of joint projects, particularly in the above-mentioned economic fields; harmonisation of our financial and monetary policies;
 - (b) take measures to effect the establishment of an African Common Market and other measures that would lead to the attainment of the aims and objectives of the African Economic Community.²

Yet, a reading of the contents of the Nepad document reveals the partnership being referred to in its title, namely that between African governments on the one hand and the powerful governments of the North and the multilateral institutions that they dominate on the other. In a section titled, "Establishing a new relationship with industrialised countries and multilateral organisation", the document states:

The various partnerships between Africa and the industrialised countries on the one hand, and multilateral institutions on the other, will be maintained.

The partnerships in question include, among others: the United Nations New Agenda for the Development for Africa in the 1990s; the Africa-Europe Summit's Cairo Plan of Action; the World Bank-led Strategic Partnership with Africa; the International Monetary Fund-led Poverty Reduction Strategy Papers; the Japan-led Tokyo Agenda for Action; the Africa

² Final Act of Lagos, from Organisation of African Unity, Lagos plan of action for the economic development of Africa 1980 – 2000, 1980

Growth and Opportunity Act of the United States; and the Economic Commission on Africa-led Global Compact with Africa.³

In contrast to the critical stance of the Lagos Plan of Action on transnational corporations, Nepad offers the resources of the continent to these corporations. For example, "much of Africa's mineral and other material resources are critical inputs into production processes in developed countries... Africa offers a vast and growing market to producers across the world... Africa provides a great opportunity for investment... Africa also provides prospects for creative partnerships between the public and private sectors."⁴

Appeals for money and support

In return for the continued and intensified exploitation of Africa's resources, the Nepad document asks for money:

"To achieve the estimated 7 per cent annual growth rate needed to meet the IDGs – particularly, the goal of reducing by half the proportion of Africans living in poverty by the year 2015 – Africa needs to fill an annual resource gap of 12 per cent of its GDP, or US\$64 billion. This will require increased domestic savings, as well as improvements in the public revenue collection systems. However, the bulk of the needed resources will have to be obtained from outside the continent."⁵

This is perhaps the central defining feature of Nepad, a promise to the North of easier access to the continent's resources if the North can put some money into the continent, in other words, an entrenchment and deepening of the existing unequal relationship between Africa and the North. It is for this reason that the nature of the "partnership" has been described as one of African leaders on their knees holding out a begging bowl, with critics arguing that "kneepad" is a more appropriate spelling of the initiative's title.

It is true that there are references in the document to strengthening regional co-operation within Africa and developing partnerships in the South, but these approaches are very much subsidiary to the document's wooing of the North. Moreover, the motivation for regional development is in large part framed in terms of creating more opportunities for transnational corporations. According to the document, because most African countries are small, "they do not offer attractive returns to potential investors,"⁶ thus the need for regional development.

As regards the relationship between the governments and people of the continent, the document does no more than make an "Appeal to the peoples of Africa". In this appeal, it does not mention the word partnership once. It fails to entertain the participation and involvement of the people of the continent in shaping and taking ownership of the initiative. Instead, in bizarre fashion, it argues that, in order for the people of Africa to be "the masters of their own destiny", they must "take up the challenge of mobilising in support of the implementation of this initiative,"⁷ an initiative they had no hand in developing.

Governance and Northern conditions

There is another dimension to the offer of Africa's resources to the North in exchange for money. The North is increasingly placing more conditions on the unequal relationship with Africa, demanding that the continent introduce forms of governance that facilitate the North's extraction of its resources. Nepad duly obliges. The document promises, "The new political will of African leaders"⁸, it asserts, "Across the continent, democracy is spreading."⁹, and then includes considerable emphasis on governance.

³ New Partnership for Africa's Development (Nepad), October 2001, 187

⁴ New Partnership for Africa's Development (Nepad), October 2001, 175 - 178

⁵ New Partnership for Africa's Development (Nepad), October 2001, 147

⁶ New Partnership for Africa's Development (Nepad), October 2001, 93

⁷ New Partnership for Africa's Development (Nepad), October 2001, 54 and 56

⁸ New Partnership for Africa's Development (Nepad), October 2001, III

For many commentators, the commitments on governance have been well received. They see promise in the acknowledgement of conflict, lack of democracy and poor governance on the continent and the commitment expressed to address these shortcomings. But, a closer reading of the document suggests that its primary purpose is to address Northern concerns.

A critique of Nepad's approach to governance was developed at a continental workshop on Nepad at the time of the launch of the African Union, organised by the African Trade Network with the support of the African Social Forum. According to the workshop declaration:

NEPAD:

- ignores the way the state has, itself, been undermined as a social provider and vehicle for development, particularly under the World Bank's tutelage;
- ignores the way the state, in turn, has been, undermining institutions and processes of democracy in Africa;
- does not reflect the historic struggle in Africa for participatory forms of democracy and decentralisation of power;
- promises of democracy and 'good governance' are largely intended to satisfy foreign donors and to guarantee foreign investment.¹⁰

The document's Democracy and Political Governance Initiative is based on the Western approach to democracy. It emphasises electoral democracy and, although it mentions the need for participatory decision-making, does not elaborate on how this can be achieved.

The Economic and Corporate Governance Initiative identifies that "many countries lack the necessary policy and regulatory frameworks for private sector-led growth."¹¹ Nepad promises:

African leaders will take joint responsibility for... Restoring and maintaining macroeconomic stability, especially by developing appropriate standards and targets for fiscal and monetary policies, and introducing appropriate institutional frameworks to achieve these standards.¹²

In short, the Nepad approach to governance is based on electoral democracy, in which those that are elected commit themselves to implement the structural adjustment that is currently imposed on the continent by the Northern governments and their institutions. So, in the name of democracy and good governance, the African leaders promoting Nepad are abdicating their responsibilities to govern and endorsing the de facto situation in which the North, largely in the form of the International Financial Institutions (IFIs), runs the socio-economic affairs of the continent.

Financing the plan

There are a number of important elements to consider in assessing the implications of the Nepad document for water. These include the approach to financing, the IFIs and the World Trade Organisation (WTO), infrastructure and water itself.

Nepad envisages four ways to raise the US\$64 billion each year that it estimates is required for the continent to meet the Millennium Development Goals, namely increasing domestic resource mobilisation, debt relief, Overseas Development Aid (ODA) reforms and private capital reforms.

The document modestly requests "the extension of debt relief beyond its current levels"¹³ and promises to work through the debt relief mechanisms established by the G8 governments, the IMF and the World Bank, in particular the discredited Highly Indebted Poor Countries Initiative (HIPC) and Paris Club.

⁹ New Partnership for Africa's Development (Nepad), October 2001, 45

¹⁰ "African Civil Society Declaration on NePAD: We do not accept NePAD! Africa is not for sale!", Africa Trade Network, Port Shepstone, South Africa, July 2002

¹¹ New Partnership for Africa's Development (Nepad), October 2001, 85

¹² New Partnership for Africa's Development (Nepad), October 2001, 49

¹³ New Partnership for Africa's Development (Nepad), October 2001, 149

This falls well short of the demand for the total cancellation of debt made by Jubilee and other debt organisations across the world and the anti-globalisation movement more generally. The Nepad position on debt stands in sharp contrast to that developed by the African Social Forum in Addis Ababa, Ethiopia, in January 2003, in which it reiterated the call for cancellation and went further to recommend:

that we increase our efforts to persuade our countries to move toward a collective repudiation Africa's debt... Given that the G 8 countries, the World Bank and the IMF are not going to relinquish debt as an instrument of domination of their own accord... This entails taking the necessary steps toward getting the governments of our countries to stop debt service payments. Repudiation will only be successful if it is done collectively. We must therefore develop the momentum toward repudiation across the continent and together with our partners in the Global South (Latin America, the Caribbean, Asia, etc.)¹⁴

In addition, the African Social Forum called for redress for the damage caused by debt and structural adjustment. It:

forcefully reiterated the position expressed in the Bamako Declaration that the debt represents a Crime Against Humanity and argued that the "creditors" be taken to task for their crimes. We must step up our demand for reparations for all the past and present damages caused by debt. In addition, we must fight for reparations for damage caused by structural adjustment policies and megaprojects, such as large dams, mining activity and oil extraction. We must also demand reparations for the plundering of our natural resources and the destruction of our environment.¹⁵

With regard to ODA, the Nepad document does not even challenge the governments of the developed countries to meet their commitment to ensure that ODA to developing countries reaches 0.7% of Gross National Product (GNP). All over the world, the figure 0,7% features in campaigns and demonstrations as a reminder of broken promises.

Instead, Nepad seems satisfied with current levels of ODA and suggests an increase in flows only in the medium term without specifying the amount by which these flows should increase. It restates its commitment to the Economic Governance Initiative and suggests engaging with the IMF and World Bank in a Poverty Reduction Strategy Paper (PRSP) Learning Group as a means towards utilising ODA more effectively.

Private capital and transnational corporations

This leaves private capital flows as the principal mechanism for addressing the perceived resource gap: "The New Partnership for Africa's Development seeks to increase private capital flows to Africa, as an essential component of a sustainable long-term approach to filling the resource gap."¹⁶

In this sense, Nepad stands diametrically opposed to previous continental documents, such as the Lagos Plan of Action, in that it substitutes the earlier cautious and critical approach to transnational corporations with a near total reliance on these corporations for the capital to meet its objectives.

This is all the more alarming in that the worst fears of the policy-makers of previous decades have been realized over and over again. Africa has suffered the consequences of extensive damage to the environment and communities by oil companies, the forced relocation of communities to make way for construction companies to build dams, the extensive practice of corruption as highlighted by the Lesotho Highlands Water Project, the imposition of unaffordable charges for water in the interests of the giant water corporations, the stranglehold on patenting and high prices of essential

¹⁴ African Social Forum Debt Workshop, Addis Ababa, Ethiopia, January, 2003

¹⁵ African Social Forum Debt Workshop, Addis Ababa, Ethiopia, January, 2003

¹⁶ New Partnership for Africa's Development (Nepad), October 2001, 153

medicines ensuring pharmaceutical company profits, the cynical use of drought to introduce GMOs in the interests of big agribusiness and numerous other forms of exploitation.

The section on private capital flows reveals the central reason behind the document's attention to governance:

The first priority is to address investor's perception of Africa as a "high risk" continent, especially with regard to security of property rights, regulatory framework and markets...

Actions

- Establish a task team to carry out audits of investment-related legislation and regulation, with a view to risk reduction and harmonization within Africa;
- Carry out a needs assessment of and feasibility study on financial instruments to mitigate risks associated with doing business in Africa;
- Establish an initiative to enhance the capacity of countries to implement PPPs¹⁷

There is of course another important dimension to the question of private capital, namely that of the large corporations in Africa itself. This is particularly relevant in relation to South Africa, and Nepad can be seen as a mechanism to advance the interests of South African corporations in expanding across the continent in a process variously described as another round of colonisation and subimperialism.

The focus on megaprojects

These themes are picked up again in the section on infrastructure. It notes, "if infrastructure is to improve in Africa, private foreign finance is essential"¹⁸, sets an objective "to increase financial investments in infrastructure by lowering risks facing private investors"¹⁹ and signals its intention to "promote PPPs as a promising vehicle for attracting private investors"²⁰

The approach to infrastructure is oriented towards large projects. In the opening line of this section, the following types of infrastructure are identified: roads, highways, airports, seaports, railways, waterways and telecommunication facilities²¹. This conception of infrastructure development cements the reliance on transnational corporations, keeps people of the continent at a step removed from the developments planned around and through their communities and presents enormous challenges to the environment.

The section on energy includes the following objectives:

- To reverse environmental degradation that are associated with the use of traditional fuels in rural areas;
- To exploit and develop the hydropower potential of river basins in Africa
- To integrate transmission grids and gas pipelines so as to facilitate cross-border energy flows²²

The apparent concern for the environment is immediately followed by an intention to build more large dams and pipelines on a continent in which dams have forced countless people off their land and caused extensive environmental damage and pipelines have led to the destruction of community life and widespread oil pollution.

¹⁷ New Partnership for Africa's Development (Nepad), October 2001, 154 and 155

¹⁸ New Partnership for Africa's Development (Nepad), October 2001, 103

¹⁹ New Partnership for Africa's Development (Nepad), October 2001, 105

²⁰ New Partnership for Africa's Development (Nepad), October 2001, 106

²¹ New Partnership for Africa's Development (Nepad), October 2001, 99

²² New Partnership for Africa's Development (Nepad), October 2001, 112

Nepad and water

The section on water in the Nepad document is restricted to a list of six objectives and four actions. The objectives include the provision of clean water supply and sanitation, water for agricultural production and food security, ecological sustainability and regional co-operation and development.

On the whole, these objectives can be seen as positive. But the document suggests no specific strategies to address these objectives. The overall approach to financing in the document accepts continued indebtedness and current levels of ODA. In other words, it does not identify the necessary resources to provide the water services promised in the objectives. The assumption is that the private sector and PPPs will provide the bulk of the required resources. In other words, Nepad expects privatised forms of delivery for profit to meet the needs of the poor.

The section on poverty reduction calls on countries to develop plans and proposes a continental task team to address social services. It states that the IFIs have a central role to play in delivering infrastructure to address poverty, as identified in its proposed actions, namely to:

Work with the World Bank, the International Monetary Fund (IMF), the ADB, and the United Nations (UN) agencies to accelerate implementation and adoption of the Comprehensive Development Framework, the Poverty Reduction Strategy and related approaches²³

Moreover, the objectives relating to regional cooperation are informed by Nepad's commitment to megaprojects spanning shared rivers and entire regions. The first amongst the four actions identified in the document looks to damming the two biggest rivers on the continent, stated as follows:

Accelerate work on multipurpose water resource projects; for example, the SADC Water Secretariat's investigation of the utilisation of the Congo River, and the Nile Basin Initiative²⁴

Nepad and the African Union

The promoters of Nepad have been largely successful in using the African Union as a vehicle to entrench the Nepad approach as the economic policy for Africa. Nepad has featured centrally at both the Durban and Maputo meetings of the African Union. The process of forming the structures of the African Union is, furthermore, being informed by what is required to implement the Nepad approach.

²³ New Partnership for Africa's Development (Nepad), October 2001, 119

²⁴ New Partnership for Africa's Development (Nepad), October 2001, 117

