

ON GLOBALIZATION

No. 2 | 2007

TOWARDS A NEW AFRICA?

In this issue	
Time to End Cynicism	1+6
EU-South African 'Strategic Partner- ship' in the Offing	2
Making High Growth Benefit the Poor in Tanzania	3
Oil-Hungry China to	
Help Revamp Nigerian Railways	4
Oil Boosts Land Prices In the Sudan	5
Visit www.ecdpm.org/eu-africa-alert	

Voices of the South on Globalization is a monthly newsletter intended to inspire a meaningful North-South Dialogue by raising awareness for global interdependences and by offering a forum for voices from the South in the globalization debate. Each edition will present short analyses or commentaries from a Southern perspective on one particular issue of the globalization process.

Voices of the South on Globalization is published by IPS Europe with financial support from the Friedrich-Ebert-Stiftung.

For further information please contact:
IPS-Inter Press Service Europe,
Ramesh Jaura, Marienstr. 19/20, 10117 Berlin
Tel.: ++49-(0)30-28 48 23 60
Fax: ++49-(0)30-28 48 2369
rjaura@ipseuropa.org

TIME TO END CYNICISM

Jaya Ramachandran

Many people, including mostly Africans, are far from optimistic about Africa. Afro-optimism is often equated with being sentimental about Africa despite the very grim realities on the ground. But there are reasons to believe that Africa is undergoing a perceptible change for the better – some sort of an 'African renaissance'.

This was underlined by the African Union (AU) Summit in the Ethiopian capital Addis Ababa January 22 to 30. The Summit indicated that the AU is not a repackaging of the old 'Dictators Club', a synonym often used for its predecessor, the OAU.

The author of a blog (name unknown) at the 'Justice Africa' website www.justiceafrica.org asks: "If Africa is such a hopeless continent why has the Chinese Leader criss-crossed this continent twice in the last six months? Why is the West so fearful of Chinese aggressive economic-diplomacy in Africa? Why are there more foreign immigrants and companies (many of them doing very well) across the continent today than there were under colonialism?"

He rightly points out that we only look at the few Africans desperate to go abroad and fewer number who make it without looking at the increasing numbers of foreigners looking for and making their fortunes in Africa: Westerners, Indians, Chinese, Koreans, Malaysians and others. Many Africans do not just trust or have faith in themselves and trust even less anything that involves their governments.

Hence, in spite of many shifts, mostly positive, at the level of the AU Charter, improving attitudes and changing political environment, many Africans still look at the African Union as not different from the old OAU. From Summit to Summit they look for evidence to justify their prejudice and confirm their biases that it is a change of name only.

No recent Summit has been more controversial than the last one (the 8th Ordinary Summit) held in Addis. The fact that Sudan was denied for the second time the opportunity to chair the Union was sniggered at by many critics because of other decisions taken by the Summit. Chief among these is the election of Ethiopia's increasingly authoritarian and sectarian Prime Minister, Meles Zenawi, as the Chairperson of NEPAD which also makes him the Chair of the Heads of State and Government Implementation Committee, and responsible for the African Peer Review Mechanism.

One may criticise this decision. But the significance of the progressive consensus on Sudan should not be ignored. Not only was Sudan rejected, the choice of Ghana was a more progressive choice than what occurred the last time Sudan was rejected; a motion in favour of another dictator, Sasou Nguesso of Congo-Brazzaville because of sensitivity to the unwritten practice of zonal rotation of host country between the five regions of the continent. (*Continued on page 6*)

ON GLOBALIZATION

No. 2 | 2007

EU-SOUTH AFRICA 'STRATEGIC PARTNERSHIP' IN THE OFFING

Walter Kapende

The finalisation of a joint action-plan for the establishment of a so-called 'Strategic Partnership' between South Africa and the European Union (EU) – proposed by the EU last year – would be prioritised during Germany's Presidency of the EU, which runs from January to the end of June.

The action plan would seek to translate the proposed strategic partnership into a number of concrete operational elements, ranging from economic and trade cooperation, through to environmental protection and security and defence.

Speaking on Germany's approach to its dual presidency mandate of the EU and the G8 during 2007, Germany's ambassador to South Africa, Harro Adt, said Africa and South Africa remain key focus areas. This despite the fact that security in Eastern Europe and the Middle East were identified as important foreign policy objectives for Germany's six-month term.

In an address to the South African Institute of International Affairs on January 23, Adt said that the EU and South Africa had committed themselves to a "Strategic Partnership that builds on existing relations in order to strengthen and add value to them and to support the realisation of the Millennium Development Goals, the New Partnership for Africa's Development and the Southern African Development Community integration process."

"During our presidency we will work together to develop a joint-action plan to foster the implementation of the Strategic Partnership," he added.

Adt revealed that it was hoped that the plan would be ready in time for a so-called troika meeting, which would include Foreign Affairs Minister Nkosazana Dlamini-Zuma, in mid-May.

Adt acknowledged, though, that a number of SADC countries were somewhat uncomfortable with the fact that the EU had decided to prioritise a partnership with South Africa over of a broader regional-level agreement, but said that he was confident that a satisfactory solution would be found.

But the prioritisation of the South Africa partnership agreement had already led some Southern African countries to boycott a recent roundtable meeting convened by the European Commission representative in South Africa. It is also understood South Africa's awareness of the sensitivities, led Deputy Foreign Affairs Minister Aziz Pahad to convene a meeting of African ambassadors to discuss the proposed EU-South Africa strategic partnership, where he attempted to reassure them that South Africa saw it as part of its overall African integration vision.



Courtesy: www.bmz.de

For his part, Ambassador Adt pointed out that, over the next 18 months, the Presidency would also drive a broader EU-Africa strategy as well as a SADC-level economic partnership agreement.

However, these action plans were only likely to emerge during the Portuguese or Slovenian presidencies, which will follow on from the German leadership in July and January respectively. However, it was anticipated that the much-anticipated EU-Africa summit, which could speed up the partnership process, could take place during 2007.

But despite the unpopularity of the single-country partnership proposal, it is being pursued primarily based on Europe's analysis of South Africa as the "locomotive" of Africa economic development and integration.

Head of delegation of the European Commission to South Africa Lodewijk Briët said recently that the EU felt that South Africa could play an even more important developmental role in Africa and that was why the EU was continuing, at existing levels, its assistance to South Africa.

Mid-January, for instance, the European Investment Bank announce that it had received a new 900 million Euro fourth financing mandate for South Africa on top of the 1,5-billion Euro it had already committed between 1995 and the end of 2006 – the new mandate would cover the period 2007 through to 2013.

"So far, our call for this sustained level of support has withstood the onslaught from the European Council to make sure that there is sufficient funding available for the Middle East, be it Iraq, or Afghanistan or other activities in that region," Briët explained. ☑

Visit: www.auswaertiges-amt.de/diplo/en/Startseite.html www.bmz.de/en/index.html

ON GLOBALIZATION

No. 2 | 2007

MAKING HIGH GROWTH BENEFIT THE POOR IN TANZANIA

Stephanie Nieuwoudt

Nairobi (IPS) – Just more than a year after Jakaya Kikwete was elected president of Tanzania his name was mentioned in the halls at the AU summit as the possible new chairperson of the Union. In the end the job went to John Kufuor, president of Ghana, to celebrate that country's 50th year of independence. But the fact that Kikwete's name was mentioned made delegates take note of the progress Tanzania has made under his leadership – not least towards achieving the Millennium Development Goals (MDGs).

"Kikwete is interested in working out the details of attaining the MDGs," says Bernard Olayo, health systems specialist at the MDG Centre in Nairobi, Kenya. The MDG Centre was set up by the United Nations to work with different countries to develop financial plans for the achievement of the MDGs.

Olayo met Kikwete in January this year when he visited Tanzania with Jeffrey Sachs, chief of the UN Millennium Project which has been involved in developing an action plan against poverty. According to Olayo, he found Kikwete to be positive about finding solutions to problems.

He recounts an anecdote: "When Kikwete was recently asked to give the opening address at a seminar about poverty reduction, he did not just want to give the address but insisted on participating in the whole seminar." This is unusual as politicians frequently sweep in and out of conferences without making further inputs.

Olayo praises the Tanzanian government's programme to supply free primary school education to all children. The registration of primary school learners has shot up from four to eight million children between 2000 and 2007.

Africa is a continent with a high incidence of children leaving school after completing their primary school education due to factors such as school fees and a lack of facilities. Now thousands of young Tanzanians are being encouraged to continue their schooling thanks to a project where the government helps communities to build secondary schools across the country.

"The best way to develop a nation is to improve the educational system so that its citizens can take their place in the world markets," Olayo argues.

Tanzania has many assets which should aid it in its quest towards achieving the MDGs. The country has vast mineral wealth - tanzanite, gold and copper û and is famous for agricultural produce including cloves, coffee, cotton and tea. Several companies are currently busy with oil exploration. Tanzania offers an extremely investor-friendly climate. This includes reduced rates of import duties and sales tax on capital goods. The government also allows the unconditional repatriation – in freely convertible currency – of net profits, foreign loans,

royalties, fees, charges in respect of foreign technology, remittance of proceeds and payment of salaries and other benefits to foreign employees working in Tanzania. All investments in Tanzania are guaranteed against nationalisation and expropriation. The government has also completed its national strategy for growth and reduction of poverty (which is known by its Kiswahili acronym Mkukuta) in June 2005.

According to a report by the International Monetary Fund and the International Development Association, Tanzania has made progress in reducing income poverty (MDG 1), malnutrition (MDG 1), gender inequality in primary education (MDG 3) and child mortality (MDG 4). But a lot more is needed to address maternal mortality (MDG 5).

The backdrop for these developments has been higher rates of real economic growth. Tanzania's gross domestic product grew by 6.8 percent in 2005 compared to 6.7 percent in 2004. Manufacturing contributed growth of 9 percent in 2005, slightly up from 8.6 percent in 2004. Agriculture showed a small drop to 5.2 percent in 2005, down from 5.8 percent in 2004. Poverty is still rife in the rural areas. Especially small-holder farmers barely manage to eke out a living.

"More than 80 percent of the Tanzanian population rely on agriculture," says Josephat Mshighati, programme coordinator of the Right to be Heard programme of Oxfam in Tanzania. "Although health education and agriculture are given high priority in the Mkukuta growth plan, more is needed to help agriculture. The government should look more to this sector where national subsidies are badly needed.

"Farmers run around looking for inputs like fertilizer, improved seeds and insecticides which are often prohibitively expensive," Mshighati points out. In Tanzania more than 90 percent of the agricultural workforce consists of women. Many of them are single mothers who keep the rural economy alive. Not only do they work on their own pieces of land, but they also make up the greater part of the workforce on commercial farms where they are often underpaid.

Kikwete's presidency brought a ray of hope to the agricultural sector as he has initiated the agricultural sector development programme which, over nine years, aims to transform rural agriculture to becoming more productive. The programme includes supporting different components of the sector through subsidizing agricultural inputs for farmers.

ON GLOBALIZATION

No. 2 | 2007

OIL-HUNGRY CHINA TO HELP REVAMP NIGERIAN RAILWAYS

Toye Olori

Kajola Village (IPS) – China is extending a hand into the Nigerian transport sector in a deal to help the government put back on track the country's foundering railway system. China's offer of a grant and expertise comes after the formulation of a 25-year comprehensive railway development plan that includes redesign of the existing railway tracks and expansion of the lines to new areas across Nigeria.

In October 2006, the government signed a 2.5 billion dollar loan facility with China, a substantial part of which will be used to finance the refurbishment of the railway system. A major portion of the railway expansion project will be carried out by China's Civil Engineering Construction Company (CCECC), which was also invited in 1996 by the late General Sani Abacha's regime to revamp the railway. The regime was widely reviled at that time over the execution of Ken Saro-Wiwa and eight other Ogoni environmental activists.

In all, an estimated 7,800 kilometres of standard gauge railway network, to connect all 36 state capitals and major cities in the country, will be built by concession-holders, which then will be responsible for infrastructure upgrades, expansion and maintenance, and train operations.

The CCECC is handling the first phase of the project, put at 8.3 billion dollars. Some of the phases will be financed through private investors over a period of time. The entire railway modernisation and expansion project is estimated to cost over 30 billion dollars. A consortium of international and domestic private investors and banks have already come together to offer 1.4 billion dollars over 10 years for the development of rail infrastructure and services, according to Transport Minister Habib Aliu.

The contract for the first phase covering 1,315 km of double-track, standard gauge line (1,435mm) from the commercial centre of Lagos in the southwest to Kano in the north -- with a branch from Minna (central Nigeria) to Abuja, Nigeria's capital -- was signed Oct. 30, 2006 by Nigeria and the CCECC.

This phase of the project, to be completed within the next four years, was flagged off in November, in this sleepy village of Kajola in western Nigeria, some 70 km from Lagos, by President Olusegun Obasanjo.

"Kajola", in the Yoruba language spoken in western Nigeria, means "let us all prosper together". Prosperity may soon come its way but the village may no longer know serenity, as it is providing 120 acres of land for the first locomotive repair workshop and shunting yards.

The railway modernisation and expansion project will be operated and managed as a private sector organisation and will be able to run 36 trains per day, from Lagos to Kano

and back – and move about 40 million tonnes of goods per year. Currently, the Nigerian Railway Corporation (NRC) is fully owned by the Nigerian government.

Today, goods are transported mostly by road, with frequent damage during accidents due to the bad state of most highways. Perishable goods like tomatoes and other foods, which are moved from the north to the cities in the south, become spoilt during the long truck trips. It takes about five days for a cargo truck to travel from Maiduguri in the northwest to Lagos: a distance of 1,680 km.

The railway modernisation is one of the key components of the government's economic reform package, aimed at a 10-percent annual growth rate and a 13-percent yearly growth rate for the transport sector. Nigeria's economic growth stands at about 2.6 percent, according to figures released by the Federal Office of Statistics for November 2006.

"Today's historic ground-breaking ceremony and flag-off of the standard double-gauge rail line from Lagos to Kano marks the first major step in Nigeria's quest for a modern railway system to drive and complement our economy regeneration efforts," said Obasanjo.

He stressed the multiplier effect of the project on job creation, technology development, economic improvement of communities along the rail routes, and of the nation at large -- as well as the development of railway-related industries.

Nigeria's railway system has continued to decline in the last two decades due to financial and administrative problems, and corruption, leading to ageing and dilapidated infrastructure, and unpaid salaries and pensions for retirees of the Nigerian Railway Corporation (NRC), a government entity. And passengers have abandoned the trains. Statistics from the NRC show that rail passengers declined from 14 million in 1980 to less than one million in 2005, while freight traffic fell from three million tonnes to less than half a million tonnes during the same period.

But why is China interested in investing so much in this West African country? Experts say the Asian giant needs raw materials, especially oil − which Nigeria has in abundance − for its fast-growing industry as well as outlets to sell its cheaply-produced products. ✓

ON GLOBALIZATION

No. 2 | 2007

OIL BOOSTS LAND PRICES IN THE SUDAN

Noel King

Khartoum (IPS) - Sudan's oil reserves paired with a dearth of water make it a nation of fierce battles for land - most notably in Darfur and southern Sudan where, for centuries, squabbles over rich terrain have ignited into brutal conflicts. But just south of the capital Khartoum, one patch of earth with no natural resources at all has spurred a fight over land rights between some of Sudan's poorest citizens and a company with an ambitious business scheme called Dreamland.

At present, the 9 million square-metre tract in Gezira State does not look like much more than bleak, windswept desert; but Egyptian and Sudanese investors, who paid 13 million dollars for the land, intend, within six years, to transform it into the Dreamland complex, a lush oasis of shopping centres, villas, pools and an 18-hole golf course.

The struggle over the land that would be Dreamland parallels problems cropping up all around Khartoum. An economic boom spurred by investment in Sudanese oil has caused land prices to skyrocket. The trouble is some of the land has been occupied for more than two decades by squatter families who have no legal rights to their plots at all. The Sudanese government legally owns the land but has been castigated by observers on several occasions for the hasty, forced removal of squatters and the demolition of their homes.

The United Nations Mission in Sudan in August 2006 expressed "deep concern" over the forced removal of 12,000 internally displaced persons from the western region of Darfur who fled famine in the 1980's and settled in Gezira state in an area they called Dar El Salaam, or house of peace. Dar El Salaam had the unlucky distinction of sitting right in the middle of the Dreamland project. Residents told the United Nations that "thousands" of heavily armed police officers tear-gassed and beat civilians before shoving them into police cars and razing their homes.

Esam El Khawad, whose El Khawad group has partnered with the Egyptian Bahgat group in the Dreamland project, calls the accusations lies. "There were only 300 police officers there that day," Khawad said in an interview in his offices in Khartoum's wealthy Amarat district. "You are telling me that 300 police can round up 4,000 families violently?"

Najla Al Mahi Khalifa is a human rights lawyer who is working to bring a lawsuit against the government of Gezira state, demanding compensation for possessions that were destroyed during the demolition. "These people had a life in Dar El Salaam," she said. "They lost everything when their homes were demolished."

Khawad vigorously defends the decision to relocate the residents of Dar El Salaam – in particular because residents had signed a memorandum of understanding with local government authorities agreeing to be relocated.

The only condition was that they agree to the new location, a plot of land some seven kilometres from Dar El Salaam, called Block 7. Khawad points out that the families were then given titles to the land in Block 7, raising them from squatter status to landowners. "I negotiated with these people," Khawad said. "But every day they wanted more."

Those who have been relocated say they were forced into Block 7, and complain of a host of problems with the land, which they say has been polluted by the Axsa car-oil recycling factory situated only three kilometres from their new home. They charge that waste from the factory has been dumped into the ground and pollutes the air.

At present, Block 7 is an arid, eyesore of a setting where the parched earth receives no shade. Some residents have built brick homes, but most still live in shacks cobbled together from tarp, sticks, burlap and plastic. Pools of greenish water surround much of the encampment and the site's two water points are only turned on for two hours each morning. The school does not have enough desks for all of the children and has fallen into ruin. Residents report that the doctor who runs the clinic rarely reports to work.

The United Nations assessed Block 7 in mid-December 2006 and found several problems. Barbara Manzi, a Senior Humanitarian Affairs Officer with the United Nations Office for the Coordination of Humanitarian Affairs, said that water and sanitation facilities are sufficient for only about 10 percent of residents and women have been refused titles to their plots even if they can prove they are the heads of households.

What's more, men in the community complain that the new location, which sits three kilometres from the nearest public transport, has forced them so far into the hinterland that they are unable to make it into Khartoum to find work.

Khawad, who says he will hire Block 7 residents to work at Dreamland, is optimistic that they will drop their resistance. "Now, no one can force them from their land," he says. "They can sleep and dream. Their future is secure." It is likely that struggles for land in and around Khartoum will become more complex as land values rise. Observers blame the chaos on a shoddy land registry system that is so informal, in the days before the land was of such high value, people often marked their boundaries with a single brick or stone. \square

ON GLOBALIZATION

No. 2 | 2007

TIME TO END CYNICISM

(Continued from page 1)

In Khartoum, Congo-B was the only Central and East African country ready to offer to host and hence it was given the chance. In Addis there were countries from the region including Ethiopia, Rwanda and Tanzania, who bidded but were passed over in favour of Ghana unanimously. This, according to the official press release emerging from the Summit was of "major importance". Ghana celebrates 50 years of independence this year.

The other agenda items included the themes of the Summit, i.e. science, technology and scientific research for development, and climate change in Africa as well as other topics such as the adoption of the budget for 2007, consideration of the proposals for a Union Government, appointment of the Panel of the Wise, and the Launch of 2007 as the International Year of African Football.

Science, Technology and Scientific Research for Development

Following up on the Extraordinary Conference of Ministers of Science and Technology held in 2006 and in order to promote Africa's Research and Development, the Assembly strongly urged member states to allocate at least 1 percent of Gross Domestic product (GDP) to Research and Development by 2010. They also endorsed the need for South- South and North-South cooperation in science, technology and innovation.

Climate Change in Africa

The Heads of States acknowledged the vulnerability of Africa's socio economic and productive systems to climate change and to the continent's low mitigation and response capacity. As a result they urged member states and Regional Economic Communities (RECS) in collaboration with the private sector, civil society and development partners, to integrate climate change considerations into development strategies and programmes at national and regional levels. They endorsed a plan entitled Climate Information for Development Needs; An Action Plan for Africa.

Adoption of the budget for 2007

A budget of 133 million dollar was adopted for the AU for 2007. 97 million dollar is to be assessed to member states and 36 million dollar is earmarked for specific programmes secured from partners.

Consideration of the Proposals for a Union Government

On the issue of the Union government, the Heads of State devoted the next Summit of the AU to be held in Accra, Ghana from July 1-3 this year, to the theme: 'Grand Debate on the Union Government'. In preparation for this, all member countries were requested to carry out the necessary consultations within their countries.

The Union government discussion is important because the ultimate objective of the AU is the political and economic integration of the continent, leading to the creation of the United States of Africa.

Appointment of the Panel of the Wise

The following people were appointed as members of the Panel of the Wise for a three year period: Miguel Trovoada - former President of Sao Tome and Principe; Salim Ahmed Salim- former Secretary General of the Organization of African Unity; Ahmed Ben Bella- former President of Algeria; Brigalia Bam- President of the Independent Electoral Commission of South Africa; and Elizabeth K Pognon - President of the Constitutional Court of Benin. The Panel of the Wise was established in order to support the efforts of the Peace and Security Council and those of the Chairperson of the Commission, particularly in the area of conflict prevention.

The Launch of 2007 as the International Year of African Football

2007 was officially declared as the International Year of African Football at the AU Assembly on 29 January. The Assembly also mandated the Commission, in collaboration with member states, to develop a Programme of activities to mark the IYoAF, and to elaborate concrete activities in connection with the 2010 World Cup to be held in South Africa. It also congratulated the Confederation of African Football on its 50th anniversary.

Issues of Peace and Security also occupied the Heads of

State. In general, they were satisfied at the progress made in the search for peace in stability in Africa; for example the successful conclusion of the transition process in the Democratic Republic of Congo (DRC), which ushered in a new political order; the signing of the cessation of hostilities Agreement between the Government of Uganda and the Lord's Resistance Army; the signing, on October 14 last year, of a Peace Agreement between the Government of The Sudan and the Eastern Front; the signing on September 7, 2006, of a Comprehensive Ceasefire Agreement between the Government of Burundi and Palipehutu/FNL; and the pursuit of the transition process in Mauritania.

They also expressed satisfaction at the progress made in the post-conflict reconstruction process in Liberia, Burundi and Sierra Leone.

Conflict areas, which commanded the leaders' attention, were Somalia, Sudan, Cote D'Ivoire, Guinea and Comoros. Gabon, Ethiopia, Algeria, Angola and Nigeria were elected as members of the Peace and Security Council for a three-year term.

DISCLAIMER: The views expressed in this newsletter are not necessarily those of the Friedrich-Ebert-Stiftung or of IPS Europe.