



Citizen-Centered Approaches
to State and Market



International Organizations Weak State Strategies

Case Study: The African Union

November 2, 2009

This work program requires mapping the current practices in weak state environments of the World Bank, the United Nations, the African Union, the African Development Bank, and two bilateral agencies to produce a series of papers that will provide a useful basis for learning, allow similarities and differences to be highlighted, and options for reform and transformation proposed. This paper represents the research conducted on the African Union.

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List of Acronyms

AfDB	African Development Bank
AFS	African Standby Force
ARPM	African Peer Review Mechanism
AU	African Union
CAMEF	Conference of African Ministers of Economic and Finance
ECA	UN Economic Commission for Africa
ECCOSOC	Economic, Social and Cultural Council of the African Union
FDI	Foreign Direct Investment
FSF	Fragile State Facility
FSU	Fragile State Unit
G8	Group of Eight Countries
HSGIC	Heads of State and Government Implementation Committee
IPEP	Independent Panel of Eminent Persons
MAP	Partnership for Africa's Recovery Program
NAI	New African Initiative
NEPAD	New Partnership for Africa's Development
OAU	Organization of African Unity
ODA	Official Development Aid
PAP	Pan-African Parliament
PSC	Peace and Security Council
REC	Regional Economic Communities
SAP	Structural Adjustment Programs
UEMOA	West African Economic and Monetary Union
UN	United Nations
VAT	Value Added Tax



I. Introduction

The African Union (AU) has made considerable progress over the last decade towards the creation of an institutional framework which can better address the challenges and needs of states in crisis. The creation of the AU and its many affiliate organizations represent the combined commitment by political leaders, regional organizations, members of the private sector and civil society, to improve security, development and good governance across the continent of Africa. This paper is in no way an exhaustive study of the AU, nor its state-building capacities, but rather attempts to analyze the AU's current capacity for state-building and development within weak or crisis-affected states, while proposing potential options for reform and transformation in the future.

The AU was created in the new millennium to replace the Organization of African Unity (OAU), which had been in operation since 1963. The principle mandate of the OAU was “to eradicate all forms of colonialism from Africa,” while defending the territorial sovereignty and independence of all African states. The sole joint-focus on independence and territorial sovereignty, while understandable at the time, was seen in retrospect by some as the Achilles heel of the organization, hindering almost any attempt by the OAU to act effectively on intrastate conflicts (Gottschalk and Schmidt 2004; Kane and Mbelle 2007). In contrast, the AU is committed to the promotion of peace, security, stability, democracy, popular participation and good governance, through “democratic states respectful of human rights and keen to build equitable societies” (African Union 2004). More importantly, while the AU recognizes the sovereignty of each state, non-interference does not mean indifference. According to its mandate, under unique circumstances, including genocide and war crimes, the AU has the authority to intervene in internal matters of the state with any means necessary, including the use of force. The AU has become the *de facto* guarantor of peace and security throughout the continent of Africa. As such, the AU has created a web of affiliate organizations which help to promote greater peace, stability, accountability and development among its member states.

The New Partnership for Africa's Development (NEPAD) is recognized as the lead facilitator of post-conflict reconstruction, mobilizing and allocating resources among the many weak states and organizations intent on assisting those states. In an era when African organizations and institutions are often chastised as corrupt, inept, and cries for “African solutions to African problems” are heard from around the developing and developed world, NEPAD is a benchmark achievement in African's quest to generate and implement indigenous solutions. Unlike AU membership, NEPAD membership is contingent on member states meeting criterion standards of good governance and economic management. NEPAD also provides the first all-African framework to facilitate and coordinate post-conflict state-building efforts. Its framework advocates for greater African-ownership, in management and finance, of the reconstruction and reform process within African states. NEPAD promotes the ideals of good governance, democracy and economic growth as the chief preconditions for development: democracy will



reduce grievances and increase the protection and insitutionalization of civil liberties, decreasing the scope, intensity and incidence of conflicts; good governance should bring about greater accountability, institutional consolidation and capacity, and the operation of the rule of law; democracy and good governance, jointly, will create the necessary space for greater economic growth and investment; and thus, the combined efforts of democracy, good governance and economic growth will provide the foundation for positive development within Africa. Economically, NEPAD has encouraged greater economic integration, both among African nations and within the globalized world. While NEPAD has sought to mobilize more African resources throughout this process, lessening dependency on outside donors, it has also advocated on behalf of African nations for greater accountability of outside donors by African stakeholders, and has managed to reinvigorate awareness and support for African issues among non-African donor nations.

NEPAD could not do all of this by itself, and has sought assistance and support from other AU sub-organizations, regional governments, Regional Economic Committees (RECs), other African NGOs, and members of civil society and the private sector. Over the last decade, there has been a boom in the number of AU affiliate organizations, all aimed at increasing levels of resource allocation, collaboration and oversight in the area of state-building. The most innovative addition to NEPAD is the creation of the African Peer Review Mechanism (APRM), a voluntary self-monitoring system for complicit member states to ensure that state policies and practices are in-line with the principles outlined within NEPAD's Declaration on Democracy, Political, Economic and Corporate Governance. As well, to better respond to and coordinate conflict prevention and peacebuilding, the AU proposed the AU Peace and Security Council (PSC) and the African Standby Forces (AFS). And, in order to create a more accessible point of entry for the participation and integration of civil society, as well as to promote and protect human rights and government/AU accountability, the AU's Constitutive Act allowed for the creation of the Pan-African Parliament (PAP) and the African Court on Human and People's Rights, and the Economic, Social and Cultural Council of the African Union (ECOSOCC).

While many African Heads of State and Governments have signed landmark and inspiring treaties, creating an impressive legal and institutional framework and allowing for the necessary space and structure to adequately address the challenges of security, development and good governance among African nations, doubts remain as to whether sufficient action and implementation will follow. Chief among these concerns, many of the institutional reforms mentioned above are in jeopardy of failure due to a lack of financial resources. African nations must honor their financial pledges to these fledgling organizations while pressing for alternative means of generating capital. Of course the responsibility does not fall solely on the shoulders of African nations and donor nations outside of Africa must also honor the pledges that they have made to African nations and organizations. Reliable and consistent donor funds are essential to the creation of many desperately needed, long-term infrastructural and institutional projects among recipient nations.



Additionally, many of these African organizations face a serious crisis of confidence and credibility. While a good number of African nations have signed on to support these organizations, a brief glimpse at their domestic track record reveals that many of them do not meet the basic AU and NEPAD principles of democracy, human rights and good governance.¹ This is further exacerbated by what many recognize as African leaders' "lack of moral courage to reprove fellow peers," (p. 255) allowing human rights abuses and corrupt government policies to either go unpunished, or worse still, to be supported by fellow Heads of State (Akopari 2004).² As the AU has aptly stated in the past, leaders must not mistake non-interference for indifference, and African leaders must hold each other strictly accountable to the mandates of these indigenous organizations if they are to be seen as legitimate within Africa or abroad.

There has also been serious criticism from civil societies within Africa that many of these 'reform' organizations (NEPAD and others mentioned above) are nothing more than a club of elites and that they lack legitimate public accessibility and representation. While the AU has made efforts recently towards greater reform in this sector, for example the creation of the PAP and the African Court on Human and People's Rights, more can be done in order to place the necessary power and mechanisms of accountability in the hands of Africa's civil society.

Finally, the AU needs to more clearly identify the mandate and mission of many of these more recent affiliates, NEPAD and others. More clearly defined mandates will allow for greater organizational focus and the ability to carry out one's mandate; enable intra-organizational collaboration while decreasing the incidence of mission overlap; facilitate more effective review processes and raise the levels of institutional accountability; and in the end, increase levels of public support.

The AU sits at a crossroads. Over the last decade its member states have dedicated valuable time and energy towards the creation of an institutional network to better support good governance, institutional reform and capacity building. The AU, and all those that work towards the promotion of its mandate, have achieved marked success which cannot be understated. While this progress is essential, it is not sufficient. If AU is to realize its goal of security, development and good governance among African nations, especially those coming out of crisis/conflict, it must now take decisive actions to support and strengthen the institutions which it has created.

II. Background

This paper is part of an ongoing work program, conducted by the Institute for State Effectiveness, in order to map current practices in weak state environments by some of the

¹ Gottschalk and Schmidt cite the damaged reputation of the PSC as a result of signatories including Zimbabwe, Sudan, Cameroon and Libya, all of which did not meet the AU principles of democracy, human rights and good governance (Gottschalk and Schmidt 2004, p. 157).

² Sandbrook characterizes many African Heads of State as belonging to a "presidential brotherhood," in which they are less inclined to criticize, preferring to tolerate or even empathize with the actions of fellow leaders (Sandbrook 1984).



world's leading international organizations. The papers are intended to serve as useful learning tools, and allow for the identification of similarities and differences across the identified organizations, as well as providing options for potential reform and transition.

III. Instruments for building strong states

In the last decade, the AU has developed an impressive assortment of affiliate organizations, each with a variety of tools and mechanisms, all designed to assist in the promotion of security, development and good governance throughout Africa. While the AU does not have a specific organization or team solely dedicated to weak or fragile states (a point that will be further discussed later in the paper), by default, a fair bit of the organizations' work occurs within Africa's weak states.³ This next section will provide a brief overview of the organizations mentioned above, and highlight some of their institutional strengths and weaknesses with regards their current practices in state-building and development.

The New Partnership for Africa's Development:

NEPAD, originally the New African Initiative (NAI), was created by the AU at the Lusaka Summit on 11 July 2001.⁴ The "new partnership" within NEPAD was established essentially between African leaders and the Group of 8 (G8) most industrialized nations, where by African leaders agreed to promote policies of good governance and economic accountability among participating African nations, and in return G-8 countries/other external partners, agreed to open their markets to African exports, encourage and facilitate investment by their private sector in Africa, provide higher levels of aid aimed at relieving debt obligations, and assist with peacemaking and peacekeeping efforts within Africa (Landsberg 2009). As such, NEPAD has the stated goal of working towards the overall 7% annual growth necessary for African nations to meet the United Nations' Millennium Development Goal of halving poverty by 2015 (De Waal 2002).

NEPAD is also the manifestation of a belief that democracy and good governance are preconditions for the eradication of poverty and the promotion development. More specifically, the concept of good governance within NEPAD includes the following: sound macroeconomic policies with a focus on greater accountability in economic and corporate governance; and effective and democratic state governance. Without increasing states' institutional capacities, development and growth will continue to elude the African continent. In this regard, NEPAD

³ By definition, fragile states are characterized by extraordinarily weak institutional capacity, a lack of security, a poor and oftentimes non-functioning government, high levels of corruption, a lack of rule of law, and oftentimes ongoing, or past violent conflict.

⁴ NEPAD is the conglomeration of three initiatives, between 2000-2001, launched by the AU: the Millennium Partnership for Africa's Recovery Program (MAP), aimed at investigating ways to overcome the debt crisis in Africa; the OMEGA Plan focusing on regional education and infrastructure projects; and the Compact for African Recovery, initiated by the UN Economic Commission of Africa (ECA) by request of various African finance ministers.



represents a significant achievement towards regional accountability and intrastate transparency within Africa. Below, we outline some of NEPAD's major achievements identified to date.

Achievements of NEPAD:

- i) *Greater African ownership for change:* It cannot be understated the extent to which NEPAD represents a new era of African accountability by African nations. While the OAU was often seen as being paralyzed by concessions to state sovereignty (replacing non-intervention for indifference) and neo-patrimonialism, NEPAD represents a serious break from history, in that African states are being charged with holding fellow AU member states accountable to the principles of good governance and sound economic policy.⁵ Unlike the AU, which has no criterion for membership, NEPAD membership is dependent on meeting specific standards of good governance and economic liberalization. The concept of African ownership and accountability is essential to the success and credibility of NEPAD. NEPAD is credited by many inside Africa and among the international community, as a 'homegrown' initiative with an indigenous oversight process, directed and implemented by African nations instead of being imposed by non-regional powers.

- ii) *Mobilization of African resources:* NEPAD was also created with the recognition that to date, African countries have not been able to mobilize the bountiful resources across the continent towards meeting their goals of poverty eradication and development. NEPAD was designed to reverse this trend, and help African nations better utilize both domestic and external resources. Domestically, NEPAD aims to double Africa's savings ratio within the next 10 years through measures and incentives including: macroeconomic policies geared towards real economic growth and increasing levels of per capita income; monetary policies designed to lower inflation rates and create positive real interest rates on savings; more efficient and effective tax administrations; and peer oversight which emphasizes accountability and transparency in public expenditure management and economic governance (African Union 2002). As a compliment to domestic efforts, NEPAD is also working with external partners to reduce levels of poverty and better promote development practices in Africa. Among other initiatives, NEPAD is working to: implement more robust debt relief programs, both to spur growth and increase access to HIPC funds⁶; increase levels, and dependability of Official Development Aid (ODA); better utilize the significant African Diaspora network as a way to increase the volume of private investment in Africa, and to increase awareness and advocacy for Africa around the globe; and finally, develop the private sector and liberalize trade policies in order to

⁵ NEPAD's founding document goes so far as to recognize that "failures of political and economic leadership in many African countries" is a significant cause of the lack of development and growth witnessed by many African countries (NEPAD 2001, p. 13).

⁶ Working in collaboration with the African Development Bank, many African nations have had arrears cleared so that they may qualify for HIPC assistance, including Burundi, Côte d'Ivoire, and Togo.

attract and promote greater investment by both domestic and international investors. Around the time NEPAD was implemented, studies indicated that by achieving a mere 1% increase in the share of world exports, Africa could generate a net annual financial inflow of as much as \$70 billion. This would equate to more than 7 times its level of aid at that time. If NEPAD could successfully promote such measures, not only would it promote economic growth, it would also serve as a tool to wean Africa off of its dependence on foreign aid.

- iii) *Greater global awareness:* The creation of NEPAD has generated a significant amount of praise and support from the international community. Many within the international arena recognize that the ownership and indigenous commitment, evidenced by the creation of NEPAD, is a necessary catalyst for successfully achieving long sought-after goals of development and good governance in Africa. This demonstrated commitment on the part of African leaders is being credited with increasing Africa's attention on many international agendas. The German government has gone so far as to appoint a special NEPAD representative in the Ministry of Economic Co-operation and Development (BMZ), and more generally, while aid volatility remains a problem, financial support for development in Africa seems to be on the rise.⁷ The World Bank alone pledged more than 500 million US dollars to both NEPAD's agricultural and infrastructural programs (Gottschalk and Schmidt 2004).
- iv) *The New Partnership with the G8:* One of the most contentious aspects of NEPAD is its 'new partnership' with the G8. While many criticize this relationship (as will be discussed in the coming section), many applaud it as a step forward, increasing the G8's awareness of and commitment to Africa's development related issues. Based on the Monterrey Conference (March 2002) and the Kananaski Summit (June 2002), G8 countries agreed to support NEPAD countries through the African Action Plan. According to this "action plan," G8 countries agree to enter into an "enhanced partnership" with African NEPAD member states, pledging direct development assistance to: peace and security efforts; building institutional capacity; improving education; improving healthcare and HIV/AIDS treatment and prevention; and helping to increase Africa's agricultural output (Asante 2003).

While certain aspects of NEPAD indicate significant reform and change for the better, the institution is not without its critics. Important challenges and criticisms have been leveled against NEPAD, and these challenges deserve attention if NEPAD is to achieve its goals and help Africa on the road towards good governance and development. Some of the prominent challenges are articulated below.

⁷ Between 2000 and 2002, ODA increased from roughly 16 billion US dollars to 18.6 billion dollars (Cape Times, February 18, 2004).

Challenges facing NEPAD:

- i) *Mandate overstretch:* The creation of NEPAD has generated much enthusiasm, along with high expectations, among African nations. Unfortunately, by nature of its somewhat unclear mandate, NEPAD runs the risk of encompassing everything “development” oriented. Everything from peace and security initiatives, health sector reform, infrastructural improvements, corporate overhaul, governance oversight and trade liberalization projects have been launched in the name of NEPAD. While the generated enthusiasm is good, NEPAD needs to refine and adhere to a more clearly articulated mandate. Stretching itself beyond its means and resources will only serve to weaken its effectiveness, and diminish its credibility and support among African states and the international community.

- ii) *Ownership and accountability of NEPAD:* One of the biggest criticisms of NEPAD is that it is an elite driven organization, with little accountability to, or consultation from the public; a “top-down” initiative, created by the elite African politicians, for elite politicians (Bond 2003; Murithi and Ndinga-Muvumba 2005). In terms of public buy-in, there was never a single referendum held, not even in Algeria, Egypt, Nigeria, Senegal or South Africa- the five founding members and leading advocates of NEPAD- in order to determine or even generate necessary public support. Without public debate, awareness and understanding of this complex new program was stifled, within the general public and even among political elite.⁸ Up until 2002, no trade union, civic organization (church, women’s, and youth group) or any other public access group was consulted during the creation and design of NEPAD. This lack of consultation not only exposed significant contradiction in NEPAD’s mission towards good governance, it also brought into question its claims towards democratic reform. Many believe that this initial estrangement of civil society helps to explain NEPAD’s lackluster performance and dearth of public support in its first years of existence. AU and NEPAD officials recognize the need to do more to promote public involvement, and while they have made efforts in recent years to this end, continued efforts are needed in order to encourage public participation and build a greater sense of trust and accountability between NEPAD and those which it purports to protect. Without this key ingredient, NEPAD is sure to fail.

- iii) *A real development strategy?* Many experts, both inside and outside the African continent, question the extent to which NEPAD actually represents a viable development plan for the continent. The bulk of the criticism centers on the accusation that NEPAD is a neo-classical, two-gap “economic model and strategy parading as a development paradigm” (Landsberg 2008, p 213). Many believe NEPAD relies too heavily on massive injections of foreign direct investment (FDI)

⁸ One year after its adoption, there were still members of the political elite, including Ms Ama Benyiwa-Doe (member of Ghana’s Parliament), who admitted to the fact that she and many of her peers in parliament knew nothing of this new organization (Akokpari 2004).

with too little attention given towards a genuine development plan on the national or sub-regional level within Africa (Landsberg 2008, p 213). There is a growing consensus concerning NEPAD's over-obsession with large, Western sponsored projects, most notably agro-industrialization and infrastructure projects, which rely almost exclusively on external funding and support. What is lacking, according to critics, is any real intra-African development strategy, including intra-African and South- South partnerships; strategies for lowering trade barriers among African nations and the creation of regional customs unions; and efforts made to lessen dependency on extra-African funding and assistance.

- iv) *Western dominance*: Another critique, similar to that mentioned above, centers on the Western dominance within the NEPAD program. From its nascence, some believe that the “new partnership” left the G8 and other western partners with too much influence over NEPAD and the affairs of African states. Patrick Bond points out that “NEPAD surfaced only after extensive consultations with the World Bank president and IMF managing director (November 2001 and February 2001); major transnational corporate executives and associated leaders (at the Davos World Economic Forum in January 2001, NYC in February 2002); G8 rulers (at Tokyo in July 2000 and Genoa in July 2001); and the European Union president and individual northern heads of state (2000-1)” (Bond 2003, p 2128). This intense focus on Western input appears even more stark when compared to the almost complete disregard for input from constituencies and organizations within Africa (as illustrated in the above section) (Akokpari and Mackay 2004).

The view shared by many is that this over-reliance on western approval and support simply weakens African resolve and ownership for change within the continent. NEPAD was constructed around the idea that African nations would embark on certain reforms in order that they qualify for/be rewarded with, additional support and assistance from outside nations. Critics rightfully assert that change within Africa “should be undertaken because they are first and foremost good for the continent, irrespective of the ‘reward’” (Landsberg 2008, p 212). Some believe that the end result has been to create a “partnership of unequals”, with G8 and other western donors under no obligation to provide pledged support or aid, yet contingent on African nations meeting the stated conditions decided upon by external powers, harkening back to the conditionalities of the oft despised SAP programs.

- v) *AU-NEPAD Coordination*: Further undermining the successful implementation of NEPAD is the confusion and contention surrounding its relationship with the AU. While NEPAD has been described, in varying degrees, as a program of the AU, the true relations of power are still unclear some eight years after inception.⁹ NEPAD is

⁹ While South African President Thabo Mbeki's proclamation, “the African Union is the mother [and] NEPAD is her baby” (p 44), encompasses the belief of some leaders and states within Africa, this analogy seems to fly in the face of the organizations'

currently controlled by the HSGIC (Heads of State and Government Implementation Committee), and while the HSGIC reports to the AU Summit of heads of state and governments, it has complete discretion over the NEPAD agenda. The fact that NEPAD is now based in Midrand, South Africa (nowhere near Tunisia) only fuels the conspiracy that NEPAD is its own organization, perhaps undermining the AU. Adding to the controversy, many donors have recently come to prefer working with NEPAD over the AU, harboring feelings that the AU is simply “the OAU without the O” and thus equally ineffective (Landsberg 2008, p 221). So long as this confusion and contention persists, cooperation between the organizations will be stymied and even worse, the legitimacy of both the AU and NEPAD within Africa and abroad will suffer. Resolution of this question is essential for the effective operation of both the AU and NEPAD.

- vi) *Nothing for weak or fragile states:* It can also be said that there is no reason why NEPAD and the AU should not have a specific assistance mechanism designed for fragile or weak states. Under NEPAD’s current form, post-conflict weak states are forced to compete for the same assistance and aid as the developed and more industrialized nations in Africa. Industrial powerhouses like South Africa (one of the founding nations of NEPAD), with their relatively stable political climates and fast growing economies, stand to attract the lion’s share of assistance and attention from donor nations. This will only further undermine support for NEPAD as a true “partnership” for all of Africa. In this case, the AU and NEPAD could learn a lesson from the African Development Bank (AfDB) and its Fragile State Facility which designates assistance mechanisms specifically to fragile and weak states (African Development Bank 2006).

The African Peer Review Mechanism:

Often credited as one of the most revolutionary aspects of NEPAD, the APRM represents one of the first institutionalized processes where African states are evaluated and held accountable to African standards, by an African created institution. Adopted in November 2002, the APRM is a voluntary review mechanism open to all AU member states whereby joining countries submit to the following criteria: agree to become a signatory to NEPAD’s Declaration on Democracy, Political, Economic and Corporate Governance,¹⁰ and submit to and help facilitate the peer review process.

historical chronology (Mbeki 2003). NEPAD technically began in October 2001, while the AU did not come to being until July 2002.

¹⁰ In June 2002, at the 3rd meeting in Rome, the HSIC adopted the Declaration on Democracy, Political, Economic and Corporate Governance, an attempt to “set up parameters for Good Governance to guide [African states’] activities at both the political and economic levels” (Cilliers 2002, p 3).

Broadly speaking, the APRM encourages institutional policies aimed at political, economic and corporate transparency and accountability, and the promotion of democratic values and sustainable socio-economic development. More specifically, complicit states submit to a five stage review process, conducted by a five to seven member panel of the Independent Panel of Eminent Persons.¹¹ The APRM represents an important breakthrough in terms of both political and economic intra-African cooperation and accountability, and is seen by many as essential to the greater success of the NEPAD movement. Some of the initial successes of the APRM include:

- i) *African solutions for Africa:* The APRM represents a sea change in both attitude and action related to promoting the Africanization of political and economic accountability, transparency and justice. It is the validation of a set of universally shared core values among African nations, and the commitment to greater Intra-African cooperation towards the attainment of those goals. It symbolizes the desired break, not only economically, but also politically and ideologically from dependence on Western nations and institutions.
- ii) *Non-adversarial, non-punitive:* The creation of this peer review mechanism relies heavily on the principles of peer support and non-adversarial compliance, in which the review is seen as consultative and not punitive. As such, the APRM initiates a review, not as a pass/fail test (in fact no states can “fail” the review) but an interactive process, whereby a set of reform benchmarks are set so as to improve present economic and political governance within the reviewed country. Recommendations are created in consultation with the reviewed government and are non-binding. After the review, NEPAD and the international community agree to assist the aforementioned country achieve the recommended benchmarks. Essential in this process, there is no requirement that countries acceding to the APRM, or undergoing the review, meet any predetermined standards, but rather commit to move toward agreed upon standards and practices (Cilliers 2002). The objective is to encourage greater accountability and ownership among African governments and civil society.
- iii) *What the APRM is not:* Equally significant in the creation of the APRM was specifying what this organization is *not*, meaning what the APRM should not be expected to do. As mentioned above, the APRM is not to be a pass/fail test. It is also not intended as conditionality for donor assistance, or debt relief and/or cancelation. In fact, it was in no way created with foreign investment and economic assistance in mind; the APRM stayed clear of the contentious arena of FDI and donor assistance that had proved toxic to the launch and legitimacy of NEPAD. Instead, APRM was created as a self-monitoring tool intended to increase levels of internal and regional political stability, while promoting economic growth.

¹¹ The Independent Panel of Eminent Persons (IPEP) members are all African native, including one representative from every region on the continent. All members are appointed by the HSIC.

The enthusiasm and praise generated by the APRM, both within Africa and around the world, should not be taken lightly. Especially in light of current NEPAD controversies, the APRM has a real potential to become Africa's strategic tool for encouraging good governance and sustainable development practices among neighboring states. And while the APRM represents a significant step forward, it nonetheless faces its own hurdles in opposition to the realization of these aspirations and achievements. This controversy is evidenced by the number of nations which have acceded to the APRM thus far: within the first two years (2002-2004) only 18 nations had signed up for the APRM, and by May of 2007 that number had grown to only 26 nations, indicating that over half of the AU member states have not enrolled in the APRM (Adedeji 2009, p 252).¹² Many of APRM's challenges, forwarded by the international community and within the continent, are outlined below.

Challenges facing the APRM:

- i) *Open Membership:* In many ways the APRM is a kind of continental self-help group implemented through an open membership, peer review mechanisms and positive sanctions in order that African nations may work together to achieve more stable, accountable and democratic governance. This open membership has come under much scrutiny as some see it to undermine the credibility of the organization itself. Indeed, some states that have ratified the APRM are either authoritarian (Ethiopia), semi-authoritarian (Egypt) or undergoing significant political instability with questionable human rights records (Sierra Leone, Congo, and some would argue Rwanda).

There are also questions as to the impartiality of those elected to the Independent Panel of Eminent Persons (IPEP), the very panel charged with conducting reviews. As John Akokpari points out, in 2003 six of the seven members appointed to the panel had ties to the ruling elite of the countries under review, including Adebayo Adedeji, a Nigerian who served as minister in General Yakubu Gowon's regime; Bethuel Kiplagat, a former Kenyan diplomat under Daniel Arap Moi's regime; and most notably, "Chris Staals, a former governor of the South African reserve bank who according to one observer 'was embroiled in several serious governance controversies [in the 1990s] that should have disqualified him from being a 'peer' to any but the most rancid of African dictators'" (Bond 2003, p 16 and Akokpari 2004, 254). This not only brings into question the objectivity of the APRM, but also the extent to which it simply provides a smoke screen for those regimes who wish to continue to pursue non-democratic policies under the cover of the APRM label.

¹² The Namibian Prime Minister, Theo Ben Gurirab, discounted the APRM's relevancy, claiming, "we do not need external auditors, we have our own auditors... our constitution and electorates, we do not have a problem with good governance" (www.nepad.org/en.html).

- ii) *Positive Sanctions:* One of the most contentious aspects of the APRM is that it has no enforcement mechanisms for states that do not comply with its recommendations. While this process may encourage otherwise reticent states to join, many believe it renders the APRM “toothless” in the face of defiant nations, thus seriously diminishing the credibility of the institution and this otherwise valuable review process. If a country refuses to undergo advised reforms, a dialogue begins between the reviewed nation and the APRM, but actual implementation is left up to each state’s discretion. There is the fear that governments under review will simply opt out if the criteria for reform are perceived as too stringent and costly. As well, benchmarks seen as too soft and relatively meaningless will produce little reform and have an equally damaging effect to the APRM’s credibility. Already we are witnessing this dilemma unfold with South Africa, one of NEPAD’s biggest proponents and largest financial contributor, as its review continues to be marred in a battle over some of the more controversial findings (Landsberg 2008, p 220). It is essential that this review is seen as legitimate and successful if the APRM is to achieve momentum and credibility within Africa.
- iii) *Questions of mandate and expectations:* Much like NEPAD, the APRM struggles to adequately convey its mandate and as such struggles under questions of when and how it has a responsibility to act. The Zimbabwean election crisis of 2008 is an oft cited example. While the framers of the APRM claim that it was never intended to be a continental police of good governance, and thus had no right to intervene in Zimbabwe’s electoral disputes, many believe that this crisis was an opportune moment to stand in defense of democratic elections. Critics within Africa and abroad expressed frustration that the APRM did not do more to pressure Mugabe’s regime and confirmed doubts as to whether the APRM can truly generate democratic reform among Africa’s ruling elite.

Another problem inherent with the APRM’s often misunderstood mandate is the disparity between donor’s perceptions of what the APRM signifies, and thus how it shapes future interactions, and the understanding of many nations within Africa. Many donors see the APRM as a measurement tool, and may allocate funding and political support according to countries which score higher during the review process. The reasoning is simply that countries that score higher will have greater institutional absorptive capacity to implement aid projects successfully, and that these countries then go on to become role models for other, less democratic nations in Africa. The problem with this strategy is two-fold. For one, this runs the risk of ostracizing those countries that do not receive additional aid, turning them against the APRM process. As Alex de Waal points out, this will be “workable only if the ‘limited partnership’, [less democratic] countries (which will be in the majority) do not lose out in terms of assistance; the extra funds going to the best performers will all need to be additional money to the aid system” (de Waal 2002, p 472). Unfortunately, it is yet clear if this

is in line with expectations of donor nations. Second, this notion of reward-based aid is in direct contradiction to how many African nations see the utility of the APRM. Many nations firmly believe that the APRM is *not* a conditionality test for future aid donations, but instead an opportunity to identify countries working toward governance reform and a means to help them towards this end with technical assistance and specific aid allocation (Adedeji 2009). In order for the APRM to gain the necessary local buy in and support, this discrepancy must be addressed. Otherwise, the APRM will be seen as nothing more than a tool to siphon needed aid from reform minded, under-developed nations to the more wealth and developed nations in Africa.

- iv) *Questions of efficiency:* Thus far, one of the greatest threats to the APRM's successful mainstreaming and acceptance might be the length of time it takes to conduct reviews. Country reviews, representing a five stage process, require a considerable amount of commitment and cooperation from both the APRM and the nation under review. This process requires an otherwise overstretched state to produce a considerable amount of documentation and reports, draw up an action plan, and commit to numerous rounds of negotiations and reviews. According to initial reports the review process was estimated to take between three to five years per country, with a ten year timeline needed to review every nation in Africa. Unfortunately the reality is much bleaker: by the end of 2007 only three countries had been reviewed (Ghana, Kenya and Rwanda), with only five other countries (Mauritius, South Africa, Lesotho, Nigeria and Tanzania) in the review process. To be fair, many believe that this drawn-out process is a reflection not just of lacking resources and efficiency on the part of the APRM, but also on the level of commitment by participating nations.¹³ Regardless of the exact proportionality of blame, one thing remains clear: more resources and attention need to be allocated towards expediting the review process in order to generate greater support and produce more tangible results.
- v) *A club of elites:* As with the creation of NEPAD, many within Africa are concerned by the extent to which the APRM is simply a club of ruling elites masquerading as a legitimate review mechanism. Similar to NEPAD, little consultation was held with citizens or social groups during the creation of the APRM. And while the review process represents a real opportunity for civic engagement in and oversight of government structures, thus far it has been assigned exclusively to the IPEP, a small group from Africa's political elite, some with questionable track records. Making matters worse, many African leaders are seen as members of "a cryptic elite," characterized as a "presidential brotherhood," who demonstrated little inclination in

¹³ In the case of Uganda, while the initial APRM mission took place, and the Memorandum of Understanding signed, in 2005, the government has yet to constitute a governing council which is essential in conducting the country's self-assessment. This self assessment, which should be nearing completion, had not begun as of 2008.

the past to reprimand or criticize fellow leaders (Akokpari 2004; Sandbrook 1984).¹⁴ Finally, it is still unclear what information is gathered by the IPEP during the review process, and according to what standards this information is evaluated. The APRM will have to do a better job of both incorporating civil society, and providing a more transparent review process in order to convince Africa's local populations to support this necessary reform mechanism.

Economic, Social, and Cultural Council; the Pan-African Parliament; and the African Court on Human and People's Rights:

Recent attempts have been made by the AU to better incorporate civil society into the process of governance reform within Africa. In March of 2005, the Economic, Social and Cultural Council (ECOSOCC) was established by the AU in order to create a more formal means by which civil society can influence, monitor and evaluate AU policies. ECOSOCC is a conglomeration of civil society organizations – including non-governmental organizations, professional groups, trade unions, and other stakeholders- elected not by government appointment, but by a professional working group. ECOSOCC is seen by many as an essential step forward towards creating greater democratic oversight of the AU, as well as generating the necessary public support for many of its initiatives, including NEPAD and the APRM.

As ECOSOCC is still in its infancy, and thus formal integration with the AU is yet to be determined, many believe that the extent to which it is able to become an effective “watchdog” will depend heavily on the level of influence, persuasion and accessibility it is granted among the various AU structures. Its legitimacy also depends largely on its perceived independence from the AU and the ruling elite of Africa. This independence was immediately called into question by the appointment of Dr Wangari Maathai, a Nobel laureate but also a serving minister of the Kenyan government, as interim president of ECOSOCC (Akokpari and Mackay 2004). Civil society organizations contest that ECOSOCC membership is heavily weighted toward NGOs, with little representation from grassroots movements or organizations, including religious, community-based, student or trade associations, and that the eligibility criteria created by the ECOSOCC Statutes actually excludes many civil society organizations from ever playing a role within the organization. Further challenges include the lack of financial and human resources necessary to effectively fulfill its mission as a civic oversight body. In the end, many worry that based on its legal framework, relegating it to advisory status only, and lacking an official treaty, ECOSOCC will not be able to speak effectively or legitimately for the African people.

The Pan-African Parliament (PAP) is another vehicle for civic participation in and oversight of the AU. Created by the AU in 2004, the PAP's initial tasks involve the promotion of human rights and good governance, debating the practices and budgets of the AU and its affiliated

¹⁴ Recently cited examples include the NEPAD's inaction during the election crisis in Zimbabwe (2007) and the AU's support of President Obasanjo despite local and international election monitors reporting serious irregularities.

institutions, and creating an access point for civil society to the AU. In true democratic form, the PAP has equal representation by all African countries, with five MPs from each country and a required two-thirds majority to pass any recommendation. So far, PAP's various committees¹⁵ have addressed important issues ranging from gender and women's issues, inter-African cooperation, land dispossession in Africa, the conflict in Sudan, and investment and financial strategies aimed at strengthening the continent's rural economy.

The PAP, like other AU institutions, faces some critics from civil society. The two chief complaints are that all members of the PAP are government appointed and that it does not have any legislative powers, but instead serves in an advisory and consultative role to the AU. It is of little surprise that this would damage its credibility amongst civil society organizations. It should be noted that while it has yet to occur, these two functions are slated to be revised within the year, with the PAP moving towards elected PMs and the assumption of legislative powers. If this were to occur, more than a forum for discussion and advocacy, the PAP would become an institutionalized mechanism for AU oversight and accountability by citizens of Africa.

The African Court on Human and Peoples' Rights was created in January of 2004 in order to promote the rule of law, protect and safeguard human rights, and to "compliment the protective mandate of the African Commission on Human and People's Rights."¹⁶ The Court can act in both a judiciary and advisory role in all cases submitted to it by member states or citizens—though cases brought before it by individuals and NGOs are heard on an optional basis (Motala 2009). The Court has the potential to represent a significant step forward in the legal protection of human rights as technically, it has been given the right to issue binding decisions, thus leading to greater compliance among states in question. Up to this point, the Commission on Human and People's Right's decisions were only recommendations and thus were often ignored without consequence to the accused states. In a continent currently experiencing egregious violations of human rights, including those occurring in Sudan, the Democratic Republic of Congo and Zimbabwe, the land mark achievement of this court's creation, and the potential significance of its full implementation cannot be understated.

Vital to its success, the African court must be seen as an independent and viable protector of the rule of law and human rights. In July of 2004 the AU Assembly of heads of state agreed to a decision that merges the African Court on Human and People's Rights with the African Court of Justice. Many civil society groups criticized this move as it combines two distinct courts with disparate mandates and protocols, and jeopardizes the African Courts ability to function efficiently. There is also real concern by many within civil society that the African Court will not have the necessary financial resources to operate. At this point the African Court must rely on

¹⁵ Some of the committees include the Committee on Rural Economy, Agriculture, National resources and Environment; the Committee on Monetary and Financial Affairs; the Committee on Trade, Customs and Immigration Matters; and the Committee on Cooperation, International Relations and Conflict Resolution (Murithi and Ndinga-Muvumba 2005).

¹⁶ Article 2 of the Protocol to the African Charter on Human and People's Rights on the Establishment of an African Court on Human and People's Rights.

voluntary financial contributions, as well as independent staff and experts which are made available by member countries. Despite recommendations made three years ago for the establishment of a voluntary support fund, to this day no such fund exists which could alleviate the financial strain on member state and allow for a more independent Court.

Finally, the African Court faces real challenges in terms of enforcement and implementation of its decisions. At this time the African Court primarily relies on states, against which the decisions are made, to implement the court's decisions. While the immediate acceptance of the courts rule would pay significant dividends in terms of the court's credibility, in the end enforcement is voluntary and up to the discretion of each state. Beyond the state's cooperation, the African Court must rely on the AU Executive Council to assist with the enforcement of any decision. This relationship will be tested by the extent to which the Executive Council is willing to hold other governments and leaders accountable and if necessary, impose targeted sanctions for those who refuse to cooperate with decisions levied by the court.

IV. Financing

One of the most significant problems facing the AU in the 21st Century is a lack of financial resources. Beyond the real threat of collapsing the AU through financial bankruptcy, budgetary shortfalls inflict unintended consequences on member states, as well as the credibility and functionality of the AU as a whole. While the financial hardships are unsurprising to many as a considerable number of AU member states rank among the poorest of the highly independent countries throughout the world, this problem still must be addressed and solutions pursued.

This next section will provide a very brief background of the operationalization of the AU budget, as well as recent reforms to this process. It will also outline some of the major causes and effects of the AU's budgetary shortfalls.

Assessed payments and an integrated budget

Prior to 2006, the AU's budget was divided into two parts, the operational budget and the program budget. The operational budget covered the AU's administrative costs and was shared among member states according to the AU's assessment scale. A states assessed contribution is based on economic indicators including gross national income, external debt and per capita income. The program budget was intended for various projects and policies outside of the daily operational budget and was to be covered by international partners (donor countries and organizations) and voluntary contributions by member states. This two pronged budget became

controversial as the program budget grew exponentially in relation to the operational budget.¹⁷ Thus a small number of member states (able to make voluntary contributions above and beyond their assessed contributions) and outside donors assumed a disproportionate amount of the total budget. As of 2006, 75% of the AU's total budget was funded by five member states, with over half of that budget assigned to the program side (AU CAMEF 2006).¹⁸

This bifurcated budget structure was problematic both in terms of African ownership and project implementation (Tamura 2008). AU projects, largely bankrolled by foreign donors, run the risk of becoming donor driven, lacking African autonomy, and being extremely volatile as they are largely dependent on the goodwill and discrepancy of foreign entities. Equally distressing, the lack of financial accountability by the vast majority of African states depreciates the extent to which these states have any ownership in the success of these projects. This scenario has the potential to increase the number of free riders, decrease the level of local buy-in and, in the worst case scenario, increase the number of spoilers among African nations who disapprove of foreign meddling in African affairs.

In an effort to address the above problems, the AU Executive Council, largely driven by South Africa, decided on an integrated budget (AU Executive Council 2006a). Important in this action, the AU Executive Council stressed that this was not simply a “mechanical merger of two parts of the budget,” but instead an effort to encourage member contributions to cover “staff costs, operating expenses, statutory meetings and *selected top priority programmes/projects*,” (*emphasis added*) with the remainder of the budget covered by donor contributions (AU Executive Council 2006, p 1). While this can be seen as a step in the right direction, many believe the financial challenges which face the AU and its member states go far deeper. Some of the contentious issues that remain are addressed in the proceeding section.

Financial Challenges

- i) *Lack of resources*: Many believe that the real problem is not budgetary integration, but simply a lack of resources. As many of the African nations rank among the world's poorest of highly indebted countries, it should be of little surprise that these states are having troubles meeting their assessed obligations.¹⁹ In fact, as of mid-June 2006, 9 out of the 53 member states of the AU were under sanction due to a failure to meet assessed contributions (AU Executive Council 2006a). Maxwell Mkwezalamba, the AU Commissioner for Economic Affairs, noted that on average only 40% of assessed contributions are made every year. As an example, in 2005, only \$36 million of the total \$63 million, or a mere 57%, in operational assessed contributions were met by

¹⁷ One of the primary reasons for the increased program budget was the AU's ever increasing role in peace and security missions across the continent. For example, by 2005, the AU's yearly budget was nearly triple that of the OAU, which never exceeded \$50 million (Tamura 2008, p 3).

¹⁸ The five member states include South Africa, Nigeria, Libya, Egypt and Algeria. In 2005, the total budget was \$158,384,000, of which \$63,000,000 went to the operational budget and \$95,384,000 went toward the program budget (AU Executive Council 2005).

¹⁹ At the end of the 20th Century, Africa was home to 16 of the 20 poorest nations in the world (Riddell 2007).

member states (Mkwezalamba 2006). As such, many within Africa, and the international community, believe that the AU has yet to truly address the core problem (a lack of resources from within member states) and are advocating for additional alternative financing strategies and policies to be implemented within the AU (AU Executive Council 2005, 2006a). Some of the suggested alternative resource generating mechanisms include levy's, taxes and pooled funds. As Setsuko Tamura points out, "In contrast to the European Union (EU) and some African RECs which have supra-state financial sources, such as revenues from VAT (Value Added Tax) and the community levy, the AU's financing schemes include only contributions from member states and international donors" (Tamura 2008, p 2). Many of these alternatives will be discussed in the final section of this paper.

- ii) *Local Ownership:* As mentioned in the preceding section, one of biggest concerns as of late is the extent to which funding will or will not affect local ownership among African nations. While the decision to merge the two sides of the AU budget into one integrated budget was a move in the right direction, a move to "ensure African ownership of the AU programme" (AU Executive Council 2006b), this has clearly not solved the problem. For one, there is no sign that the 40% delinquency rate on assessed payments by the majority of African states has abated since this the integration. So long as this remains the case, the AU will face the two-sided problem: either it remains over reliant on assistance from foreign donors and/or the institution is propped up by a small elite group of African nations.²⁰ Either way, this brings to question the extent to which the AU is truly a representative body of the all of Africa. Cracks in AU's cohesive armor are well underway, as individual nations threaten the boycott of initiatives where they feel they have no voice, or, potentially worse, using the funding issue to essentially torpedo any institutions, like the APRM, that they see as a threat to their future way of governing. If the AU is to gain credibility and financial sustainability it is clear that alternative funding mechanisms must be investigated.
- iii) *Volatility of Implementation:* Closely related to the foregoing point, so long as the AU is heavily dependent on foreign donors for a sizable share of their program budget, than the future of these programs will remain threatened and unstable. As Samuel Asante so eloquently puts it, the AU's relationship with its donor community is a "partnership of unequal partners" (Asante 2003). The AU and its member states are rightfully skeptical of their partners' commitments, witnessing what some call decades of the "broken promise syndrome" in donor-stakeholder relations. Already we are seeing signs of inconsistent determination by the G8 who, while promising to allocate 50% of the \$12 billion increase in ODA from the Monterrey Declaration, are

²⁰ Fears abound that the 'big five'-South Africa, Nigeria, Libya, Egypt, and Algeria- will continue to call the shots and dictate the AU agenda as they are the primary financial contributors to the AU, even under the new integrated budget.

failing to meet essential obligations in terms of improving market access to African goods- a crucial aspect of the “new partnership” of NEPAD.²¹

iv) *AU growth*: Finally, all of this must be seen in the context of AU’s tremendous institutional growth over the last decade, and the ambitious number of new programs created. While institutional growth and reform can be good, it may depend largely on the extent to which these reforms are logistically and financially viable. At the time of the AU summit in Addis Ababa in July of 2004, in the midst of the launch of many of the AU’s new organizations– including the APRM, the PAP, ECOSOCC, the African Standby Force (AFS), the Peace and Security Council (PSC), and the Court on Human and People’s Rights– the AU calculated that it would need approximately \$1.7 billion over its initial budget estimate in order to effectively carry out its operational mandate and address the myriad of challenges within the continent. Compounding this issue, in 2003, only \$12 million out of the total \$43 million of the AU’s budget was accounted for, and thus the AU was going into the 2004 fiscal year significantly in the red. Based on these figures, it is questionable whether the AU will be able to support this aggressive growth policy in the long term. In light of the current global recession, it is safe to say that the problems associated with budget shortfalls will only be magnified in the coming years.

V. Moving Forward

At this moment, the AU has no specific institutional structure or mechanism designed specifically to work with and assist weak or fragile states coming out of crisis. In 2005, the AU drafted the Post-Conflict Reconstruction Policy Framework which was intended to initiate greater coordination, on both a policy and implementation level, between regional actors within Africa, the UN and the AU toward creating a more durable peace, and more successful reconstruction of states emerging from crisis (African Union 2005; NEPAD 2005). In recent years, this document has served more as a security guideline and tool towards preventing conflict than a statebuilding doctrine for weak and fragile post-crisis states.

Despite the lack of a coherent fragile state policy, the AU has made substantial progress over the past decade toward the promotion of good governance, democracy, and economic growth and reform in Africa. If you compare European integration under the EU to the creation and implementation of the AU, the success rate is astounding for a continent which some believe is plagued by weak states and even weaker institutional capacity. Within a decade leaders across Africa have come together to launch such landmark organizations as the Pan-African Parliament,

²¹ Interestingly, some contend that one of the greatest causes of aid inconsistency by foreign donors is the AU’s equally (according to some) inconsistent approach toward authoritarian regimes which flaunt human rights, violate any sense of democracy, and are largely responsible for the country’s economic meltdown. The favorite contemporary poster child is Zimbabwe and Mugabe’s regime which some believe made a mockery the recent “democratic” elections, consistently violates human rights on egregious levels and has managed to drive the country’s economy into total meltdown (inflation rates over 500 percent).

the African Peer Review Mechanism, the Economic, Social and Cultural Council of the African Union, and not least of which, the New Partnership for Africa's Development. NEPAD, by far the most ambitious and robust undertaking is monumental in its collective recognition by African leaders that democracy, good governance, and sound economic management are essential to promotion of sustainable growth in Africa. Beyond a simple recognition, NEPAD has provided the space and tools for states to work together towards the common goals of greater peace and stability, while holding governments to higher levels of accountability by their peers and civic society. While the engagement with civil society within Africa remains contentious, the creation of ECOSOCC and PAP represent a shift in political will toward greater transparency.

There is also little argument that NEPAD, and its constituent organizations, have revitalized international attention in Africa. Through earnest engagement and dialogue, NEPAD has gained support among the EU, the UN, and other bilateral and multilateral donors. In 2003, as part of Resolution 53/300, the General Assembly adopted the creation of the Office of Special Adviser on Africa (subsequently passed by the Secretary General) to promote UN and international support to NEPAD. Institutions including the EU and the World Bank have also stepped up both engagement in and funding for NEPAD and other AU organizations.

As outlined in the above sections of this paper, many challenges remain if the AU is to fulfill its goals towards democratic reform, good governance and sustainable development in Africa. What is to follow represents a brief outline of researched proposals aimed at attending to some of the most pressing challenges that contest the legitimacy and efficacy of the AU and its constituent organizations:

Walking the Walk:

On the most basic level, many critics are calling African leaders to task, to abide by the very rules which they have created and/or agreed to as signatories to NEPAD and the AU. Local and international credibility will be slow coming if leaders continue to grant immunity to peers and lack the moral courage and political will to hold each other accountable in these early, yet crucial, years of the AU. As it stands, many of the member states – Zimbabwe, Sudan, Cameroon and Libya, for example – do not meet the most basic tenants of the AU, including democracy, human rights, and good governance (Cilliers and Sturman 2004).

The AU has also been extremely vocal about demanding greater respect from those within the international community, not the least of which the UN. While the AU is justified in demanding greater recognition and respect, it is again essential that African leaders hold themselves to an equally high bar. During a recent meeting of the General Assembly of the UN (September 23, 2009), Muammar al-Qaddafi did just about everything in his power to discredit himself, but more importantly, discredit the entire AU, of which he was the acting President at the time. Allotted 15 minutes, Qaddafi rambled on most nonsensically for 90 minutes, during which he called the Security Council the “terror council,” suggested that that the swine flu was created as a biological weapon, and in an issue absolutely unrelated to the UN, demanded a thorough

investigation of the assassinations of John F Kennedy and Martin Luther King. As a final insult, President Qaddafi, who has been president of Libya for 40 years, demanded that the AU be a permanent member of the UN Security Council, but not before seeming to tear apart a copy of the UN charter, saying that he did not recognize it as a legitimate document (New York Times, September 24, 2009). While the expansion of permanent seats within the Security Council is a legitimate petition for many African states, destroying its charter while renouncing its authority is no way to further international understanding or respect.

Greater Intra-African Cooperation:

As many of Africa's current problems are regional and not intra-state, so to the solutions must incorporate cooperation and interaction among all states in this region. In order to develop, both economically and institutionally, Africa must go beyond its current emphasis on foreign investment and resource assistance, to a more home-grown, intra-African solution. Greater intra-African cooperation means, both economically and politically, relying less on foreign intervention and more on the resources and comparative advantages which exist within the continent. African leaders need to use the political and social capital they have to encourage good governance and accountability among their continental peers, and rely less on punitive aid policies and FDI by foreign entities. Economically, greater harmonization of intra-African trade, investment and economic policies will help to decrease the financial burden of these reform organizations while assisting those least developed and post-crisis states out of debilitating poverty. If African leaders are sincere about promoting good governance, while meeting the targeted 7% economic growth rate per annum determined by the AU, then African states must place more emphasis on intra-African initiatives.

Civic Inclusion:

Almost ten years after its creation, one of the biggest criticisms of the AU and NEPAD is that it remains a club of elite rulers without sufficient entry points for civil society organizations. The establishment of the PAP, ECOSOCC and the African Court on Human and People's Rights were all important steps towards rectifying this inequality, but more still needs to be done. First and foremost, all three organizations remain vastly underfunded to the point that they realistically cannot carry out their mandated functions. A sign of the AU's sincere interest and concern would be to allocate the funds necessary for these organizations to function and flourish.

More specifically, in order that ECOSOCC becomes available to as many communities across Africa as possible, regardless of socioeconomic level or location, more resources will be needed to promote regional implementation and outreach. This is a daunting task, but as one of the primary access points for civil society, it cannot be stressed enough the importance of making ECOSOCC significant and accessible to ordinary citizens within Africa.

As well, the success of the African Court depends largely on the support of both the AU and member states. The African Court is a milestone in the protection of human rights and promotion of good governance. Member states must support and abide by decisions and recommendations

made by the Court; any other decision will not only undermine the Court's relevancy, but will most likely diminish the public's support for the AU as a whole. In addition, the AU and member states alike must put an end to the "presidential brotherhood" and hold all those in power to standards and norms institutionalized within the AU and its Constitutive Act of 2000.

Most pivotal to the success of the PAP is its transition to a democratically elected and fully legislative body sometime within the year. If this does not occur, the PAP will not only lack the democratic structures it is charged to protect, but it will become a lightning rod of protest among civil society as a physical manifestation of Africa's elites ruling over the people. It is essential that this transition occurs in both a timely and thorough fashion.

As some have pointed out, the path towards civil engagement is a two-way street. Just as the AU must do its part and honor its commitments, so to must the greater civil society. As Landsberg points out, "oppositionalism and protest alone cannot bring about change" (Landsberg 2009, 223) and civil society organizations need to cooperate with governments just as they request governments' cooperation. For engagement to succeed, both sides must work towards greater collaboration, understanding and cooperation in order for real change and development to take hold.

Accessing Diasporas:

Seeing that the African Diaspora is now formally recognized within the AU, it should do everything in its power to better engage this community as part of its larger civil society. The AU must allocate resources and devise means to better integrate the Diaspora's vast human resources through technical cooperation and outreach, consultative agreements and community interchange. In a time when the AU is facing ever increasing financial constraints, the Diaspora can play an invaluable role in generating vast financial resources for African causes. Finally, if correctly utilized, the African Diaspora can mobilize greater global awareness and ensure, through political and social pressure, that Africa remains central in the international arena.

Western cooperation:

It is also important to realize that part of the AU's success lies well beyond its border, in the hands of Western nations. As it stands, African nations lack the mechanisms or capacity to hold Western states accountable for their pledged commitments of financial assistance, debt relief and market access. If the Western community wishes to grow the global economy, promote democracy and increase international security, it needs to enter into a partnership of equals with African states. Among Western and African states, agreements need to be created that hold each party (donor and recipient) equally accountable to the terms of agreement. Here, greater involvement of civil society, the private sector and government oversight committees can join in collaborative monitoring processes to ensure transparent and just aid transactions. In light of the clear asymmetry of power, Western nations need to provide better access to domestic markets, while ideally helping to eliminate the massive debt burden which currently retards development in Africa and guarantee more consistent aid flows which is not tied to unrealistic conditionalities

(Bunwaree 2009). The AU has a strong institutional framework in place for greater economic and governance reform, but implementation and success relies heavily on the extent to which Western nations are willing to cooperate as fair partners.

Leveraging Aid:

On a small but significant note, it is essential that donor aid not be allocated according to APRM review results. As pointed out earlier, the APRM should not serve as a conditionality for donor assistance. If international assistance is tied to NEPAD and APRM review, then these organizations run the risk of being perceived as puppet entities of larger Western powers. For that reason, any aid allocated based on positive review results must be given in excess of normally allocated distributions. In this way, additional aid will incentivize compliance with APRM recommendations, instead of discrediting the process.

Home-grown remedies:

Another alternative that deserves attention argues that in order to truly achieve reform and growth (both politically and economically) in Africa, African nations need to look less towards ODA and more towards the small, yet significant reforms that can be achieved within. K.Y. Amoako, Executive Secretary of the Economic Commission for Africa (ECA), believes that NEPAD will only be successful so long as Africans cover the major expenses – a task that he believes is attainable so long as there is sufficient resource mobilization and sound economic policies in place (Asante 2003). Even though NEPAD petitions for greater aid from donor nations, the funding of priority programs can be realized through mostly small to medium-scale initiatives, of which Africans could have the comparative advantage. Experts argue that augmenting small but effective measures internally, like more efficient investment of FDI, more effective delivery of public sector services, reduction of financial waste and inefficiencies, avoiding cronyistic policies which encourage poor hiring practices for management positions of public assets, and implementing more effective tax administrations, would allow Africa to spur development and reform without the reliance on foreign powers. In the end, this reliance on indigenous solutions will not only create greater ownership of AU/NEPAD policies, but also allow for more durable and sustainable development and reform within Africa.

Financial Reform:

As mentioned in the prior section, the current policy of supporting the AU through assessed payments, voluntary contributions and donor support is not effective and alternative financial resources need to be investigated if the AU and its affiliated organizations are to survive and thrive in the future. While an internal review of NEPAD in 2002 (African Union June 2002) determined that alternative financial resources needed to be explored, seven years later little progress has been made. In a recent paper, Setsuko Tamura explored this issue and believes there is real potential for less dependency on assessed contributions which are highly volatile as they depend on political will and economic conditions within each country at any given time (Tamura 2008). Instruments like a community levy or a value added tax (VAT), both supra-state financial schemes, are less vulnerable to intrastate conditions and have proven extremely successful in

other situations. The UEMOA's (West African Economic and Monetary Union) sole source of revenue is generated through a levy.²² Of course, much of the success of this policy is due to the application of a regional customs union, the harmonization of sectoral economic policies and a common currency shared by eight of its member countries. Many experts believe that if the AU imposed a community levy of no more than 0.5%, it would generate an approximated revenue of more than \$600 million per year, more than enough to cover its entire annual budget (Tamura 2008, p 6). Of course, it is not that easy, as many have witnessed the levy system fail for ECOWAS do to the lack of free trade zone. Experts rightfully contend that no levy or VAT should be implemented by the AU without the minimal ground work laid among member states, including a nearly continental customs union and a free trade zone.²³

Fragile States Initiative:

In conclusion, it is imperative that the AU create an arm of NEPAD solely dedicated to the promotion of democratization, good governance and development among fragile states. As many other multinational organizations have already demonstrated –including the UN, the EU and the AfDB –states coming out of crisis and/or conflict face unique and adverse challenges including extremely weak institutional capacity, a lack of security, a destroyed infrastructure, and oftentimes a non-functioning government. It is not reasonable that these states face the same scrutiny as more developed and stable nations, and must compete with them for scarce resources. As it stands South Africa, the fastest growing economy is sub-Saharan Africa, stands to gain the most from a successful implementation of NEPAD. Home to one of the most conducive investment environments, with healthy and robust institutions, and better infrastructure than most other African nations, it is a clear choice for renewed “partnership” among many G8 nations. If this were to occur, not only would weak states lose out on much needed FDI and ODA, but it could also amplify resentment among these states and undermine the very “partnership” and unity NEPAD and the AU were designed to create. Here, the AU and NEPAD could take a lesson from the AfDB, which has created unique mechanisms, including the Fragile State Facility (FSF) and the Fragile State Unit (FSU), designed specifically for the assistance of fragile state. If the AU wishes to see good governance and economic development achieved by all member states, it needs to begin by addressing the exceptional needs of states struggling to emerge out of divisive and destructive crises.

²² In 2002, the European Union paid for 12 percent of its yearly budget with levy payments and uses taxation through a VAT to subsidize its budget.

²³ In addition, some states (for example Gambia) are opposed to levy systems as they believe it would increase the cost of imports disproportionately for landlocked countries and more open economies. But, there seems to be no one right answer, because many economies believe that the negative externalities incurred by open economies will be far outweighed by the extremely efficient and competitive industries created by an open economy (Bhagwati 2007).

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