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Hilfe für Kinder in Not

A summit of empty promises

The G8 and Africa

»Nothing human can be regarded as perfect.«

Olusegun Obasanjo, former president of Nigeria, after the G8 summit in Kananaskis

The German G8 president, Chancellor Angela Merkel, has put the economic relations of G8 countries to African states high up on the agenda for the G8 summit in Heiligendamm. Building close »reform partnerships with Africa« between the G8 and African countries is meant to send a »positive signal of confidence in Africa's future«. Behind the partnership rhetoric is no more, no less than the G8's urge—informed by their capitalist self interest—to further integrate Africa into the global economy by an accelerated liberalisation of investment and protection of intellectual property. The G8 agree to scale of their efforts to fight HIV/AIDS and other diseases but at the same time unilaterally protect the interests of their pharmaceutical industries instead of enabling Africa's access to affordable medicine, research and technology.

The history of G8's Africa initiatives

The history of the Africa agenda at G8 summits so far has largely been one of symbolic value despite its development-friendly rhetoric. The outcomes for

African countries resulting from the »Action Plan for Africa« adopted 2001 at the G8 summit in Genoa under broad public recognition resemble to a large extent a »plan without action«. The same holds true for a draft summit declaration leaked before this year's G8 summit: There will be no tangible self-commitments that civil society could hold G8 leaders accountable to. For a number of years at least a yearly lunch meeting and a growing list of unclaimed promises have been part of G8's Africa agenda (table 1). Behind the empty phrase of a »reform partnership for Africa« G8 leaders blur that the (so far missing) evaluation of the implementation and development impact of past G8 decisions, amongst them the debt initiatives and a multi- and bilateral trade and investment liberalisation agenda, from an African perspective would be devastating.

Debt relief for Africa—A bluff package

Despite wholehearted acclamations after years of complex negotiations only 22 of 42 highly indebted poor coun-

tries (HIPC) received billions worth of debt relief under the so-called HIPC initiative and the Gleneagles debt relief initiative. Meanwhile creative accounting tricks provided for a reduction in the net worth of real debt cancellation. As the G8 debt relief is stretched over a period of up to 40 years the additional financial scope amounts to an average of one billion US Dollar per year. African countries still serve 15 billion in debt annually to Western creditors, their total debt in 2005 still stood at a skyrocketing 215.6 billion US Dollar. Most African countries spend more to serve their foreign debt than they spend on health or education programmes. According to UN estimates more than 60 developing countries are in need of a full cancellation of their foreign debt to be able to reach the Millennium Development Goals (MDGs) until 2015. However, more than an affirmation of existing commitments cannot be expected from the Heiligendamm summit. There is a clear lack of political will to reorient the G8's Africa interests away from structural, macroeconomic and governance-related conditionalities towards the realisation

Table 1

Africa on the G8's agenda— A chronicle of empty promises

G8 summit 1999, Cologne

In Cologne the G8 debt relief initiative for the world's poorest countries was at the centre of attention. Up to 100 billion US Dollar in multilateral debt were announced to be cancelled for up to 42 developing countries. In order to qualify for debt relief countries had to subject themselves to rigid macroeconomic controls by the IMF. Structural conditionalities remained unchanged.

G8 summit 2000, Okinawa

For the first time African heads of state from Algeria, Nigeria and South Africa participated on the fringe of the official G8 programme.

G8 summit 2001, Genoa

In Italy the G8 announced the Genoa Plan for Africa—until today in essence a plan without action—and acknowledged the New African Initiative (NAI) which was later transformed into the »New Partnership for Africa's Development« (NePAD). NePAD, although criticized by African civil society as »the emperor's new clothes« by propagating structural adjustment recipes of the past, soon became the celebrated start of a new partnership with those African elites ready for reform.

G8 summit, Kananaskis

The action plan for Africa agreed in Canada committed the G8 to support the African NePAD reform agenda. The summit ended with vague promises to annually increase ODA till 2006 by 6 billion US Dollar. Not only was this little money, it only amounted to half of the 12 billion US Dollar committed earlier in 2002 at the UN Conference on Financing for Development in Monterrey. African civil society during its »counter summit of the poor« in Mali strongly criticized NePAD as a strategy dominated by the interests of neoliberal elites in Africa.

G8 summit 2003, Evian

First non-binding progress report on the Africa action plan drawn attention to the lacking implementation of the 2002 commitments but didn't conclude on any consequences. The South African trade union umbrella COSATU and NGOs strongly criticize trade protectionism by the G8 countries in the WTO in a joint declaration.

G8 summit 2005, Gleneagles

In Scotland the G8 agreed on a multilateral debt relief initiative and further financial commitments for Africa's development. The G8 announced to increase their ODA resources for African countries till 2010 by 25 billion US Dollar. Second progress report on the Africa action plan concluded. The G8 summit in particular provided a PR success for the British government.

G8 summit 2006, St. Petersburg

Besides a brief report entitled »Update on Africa« the meeting did not offer anything for Africa, Heads of State present from South Africa, DR Congo and Mali remained exotic backdrops.

of self-determined African development strategies and approaches.

Investment protection and trade liberalisation

Irrespective of the broad protests against a Multilateral Agreement on Investment (MAI) and the outright rejection to further investment liberalisation in the WTO context at the WTO ministerial conference 2003 in Cancun by developing countries, the German G8 presidency has put the promotion of private investment for Africa's development high on the agenda. Concrete and development-oriented results for Africa in the area of trade and investment, including the elimination of agricultural dumping, effective market access to rich countries' markets for industrial goods, trade in services and value-added food products, are neither at hand in the WTO or to be expected by the integration of the so-called »Africa outreach partners«¹ into the summit programme. On the contrary, they are not intended. Results can only be expected in relation to the improvement of the investment climate (and investor protection), strengthening the efficiency and effectiveness of financial markets and the mobilisation of foreign direct investment—basically issues at the heart of the G8's own economic agenda.

Self criticism is off-limits

It would be a mistake to trust on the G8's willingness—mislead by a pleasing development rhetoric towards Africa—to change of what amounts to the continued exploitation and valorisation of people and resources on the continent. The so-called »reform partnerships for Africa« neither name the historic roots of global inequalities as a result of conscious political choices nor do they promote emancipatory changes in the current world economic order. The G8 Africa policy rather

¹ The German Chancellor has invited the presidents of six African countries to two working luncheons in Heiligendamm: On June 8th 2007 the G8 will meet the so-called »Africa Outreach« group including Nigeria, Egypt, South Africa, Algeria, Senegal and Ghana as current chair of the African Union (AU).

perpetuates current political power inequalities within the existing global governance structures. The G8 are thus in continuity of colonial patterns of exploitation and neoliberal valorisation. The severe consequences of the policies offered for African countries are excluded from the agenda as becomes clear by looking at current regional free trade negotiations between the EU and its former colonies in Africa, the Caribbean and the Pacific, the

so-called »ACP« states. »Economic Partnership Agreements« (EPAs), as they are called, aim to open the ACP markets for EU supplies not only for trade in goods, but in addition in several additional sectors ranging from investment liberalisation, opening of public procurement markets, comprehensive liberalisation of the services markets to stronger protection of intellectual property rights. Other G8 countries are engaging African countries

in similarly aggressive »WTO plus« free trade initiatives that aim at far more ambitious liberalisation and market access as the current WTO talks. The objective to protect and regulate foreign corporate interests in the interest of sustainable investment and reinforcement of policy spaces in Africa is thus subordinated in the G8 political practice to the protection and encouragement of the economic interests of transnational corporate actors.

Table 2

Development assistance in 2010— Comparison between commitment and trend*

	Cumulative change in percent since 2004	Forecast for 2010, in case current trends hold (in billion US Dollar)	ODA committed by 2010 (in billion US Dollar)	Gap between commitments and trend (in billion US Dollar)
Canada	14.6%	3.8	3.6	0.15
France	-0.6%	6.6	14.2	-7.6
Germany	6.9%	8.5	15.6	-7.0
Italy	-16.6%	1.4	9.5	-8.1
Japan	3.5%	9.6	12.0	-2.4
Great Britain	23.6%	13.2	14.9	-1.6
USA	4.0%	21.6	24.0	-2.4
G7 total	5.9%	63.4	93.7	-30.3

* Discrepancies in totals may result from rounding differences; all figures without accounting for debt relief and in 2004 constant US Dollar prices.

Source: World Economy & Development In Brief, June 2007, www.weltwirtschaft-und-entwicklung.org/cms_en/

Empty financial promises

During previous G8 summits G8 leaders kept on promising African leaders one thing: More money! This is set against decreasing levels of international official development assistance (ODA) spending. In 2006 OECD countries spent a total of 103.9 billion US Dollar—5.1 percent less than a year before. This trend is not surprising in light of creative accounting tricks employed in previous years such as the inclusion of debt relief for Nigeria and Iraq. Without counting in debt cancellations total ODA paid to African countries in 2005 increased only by a marginal two percent. This is in sharp contrast to an es-

timated costs of the international trade system skewed in the interest of the G8 and other industrialised nations of 300 billion US Dollar. In Gleneagles the G8 and in particular the British Prime Minister Tony Blair profiled themselves by agreeing to double ODA level for all developing countries at 50 billion US Dollar by 2010, half of which being earmarked for Africa alone. According to UN estimates this is but half of what is needed if the MDGs are to be achieved by 2015. If the current trend in actual ODA disbursements continues the 2010 target will be missed by 30 billion US Dollar (table 2). Still a binding timetable for the implementation of the G8 financing initiative

is currently lacking and will—according to a leaked draft of the summit declaration—also not emerge from the Heiligendamm meeting. In their role as G8 host the German government at least appears to be prepared to commit an additional two billion over the next four years. Still Germany is lacking behind in fulfilling its international ODA commitments to contribute 0.51 percent of its gross national income (GNI) until 2010. Current expenditure rate is as low as 0.36 percent of GNI.

Conclusion

In light of what has become known about the content of the final declaration for Heiligendamm it becomes increasingly clear that this years G8 summit will be one of unfulfilled promises and symbolic announcements for Africa. A thor-

ough analysis of the underlying structural causes of global inequality and the political responsibility of rich countries are still excluded from the debate. It is thus an illusion to trust the »rich« to help the »poor« to find a fast and unbureaucratic way out of poverty. The creative and peaceful protest around the world against

the G8 clearly are testimony to the fact that the structure and policies of a »world government« not legitimised by democratic decision processes is one that ignores the economic and political interests of the people and their representation. It cannot be part of the solution for Africa's challenges but is part of the problem.



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