



DISCUSSION PAPER
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**PARTNERSHIP
AND OWNERSHIP**

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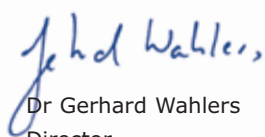
PREFACE

At the moment, development cooperation with Africa attracts more and more political attention on national and international level. This is not only due to the fact that our neighbouring continent, Africa, appears as an overarching major issue on the agenda of both Germany's presidency of the EU Council and the G8 Summit of 2007. The decision to double the official development assistance funds for Africa taken at the Gleneagles G8 Summit in 2005 also plays a role in this context. Moreover, China's and India's growing engagement in Africa similarly attracts international attention. Having outlined a development-policy strategy for Africa in 2005 in a protracted process, the EU is currently developing an EU-AU Africa strategy, this time in consultation with its target group. This strategy will be presented at the EU-Africa Summit in Lisbon under the auspices of Portugal's presidency of the EU Council, which will begin in the middle of 2007. The Millennium Declaration and the proclamation of the Millennium Development Goals in 2000 also help to focus attention on Africa. In this case, the primary objective is to cut poverty in half by 2015. Similarly, the events of September 11, 2001 made Africa a strategically important continent because Africa's fragile states offer a safe retreat to Islamic terrorists. The development policies of the United Nations, the OECD, the EU, and the eight most important industrialised nations all focus on Africa at the moment. While this does present Africa with an outstanding opportunity, it is in part due to the unusual challenges confronting the continent.

Africa is not a monolithic block of 53 countries, of which 48 are situated south of the Sahara. Conditions in these countries are so heterogeneous and the challenges confronting them so diverse and specific that it is impossible to define a consistent reference framework that is valid everywhere. This discussion paper outlines Africa's key challenges in development and security policy, followed by a summary of general conclusions and action recommendations for (development) policy.

Represented for more than 40 years in more than 20 countries of sub-Saharan Africa, the Konrad Adenauer Foundation has maintained trustful relations with its partners for many years. This discussion paper was adopted at the conference of Konrad Adenauer Stiftung employees in Africa and the Middle East that was held in Cape Town from March 4–9, 2007. Its prime purpose is to inspire the debate on our comprehension of partnership and responsibility of our partners in Africa.

I owe a particular debt of gratitude to our representative in Namibia, Dr Dr Anton Bösl, for drafting this discussion paper.



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PARTNERSHIP AND SELF-RESPONSIBILITY

EXECUTIVE SUMMARY

The terrorist attacks of September 11, 2001, the repositioning of Russia, and the rise of China and India, have led to the development of a new multi-polar world order in which Africa has only been playing a subordinate role so far. Frequently, Africa is perceived merely as a supplier of raw materials or, in the context of the Millennium Development Goals, as a recipient of aid. This image of Africa as a marginalised continent, out of touch, a hotbed of disaster, unaffected by the dynamism of the globalisation process, and almost without geopolitical relevance is sorely in need of revision.

Beyond any humanitarian and moral obligations towards disadvantaged populations, supporting Africa on its path of development is of vital interest to the community of states. The dynamism of political, economic, social, and cultural globalisation forbids marginalising 48 or 53 African states and their more than 700 million inhabitants. Global threats and challenges, such as terrorism, climate change, and pandemics, can only be overcome in a global effort undertaken jointly with African partners.

Forming an autonomous field of political activity, development policy has been contributing towards constructive partnership with Africa for more than four decades. While this provides a sound foundation for future cooperation, innovative and fresh ideas and concepts will have to be developed reaching beyond conventional strategies and development-policy approaches. Development policy should be guided by the following demands:

- Build partnerships of mutual interest on the basis of shared values
- Call for self-responsibility in Africa and strengthen reform initiatives
- Start out from the rule of law and good governance
- Support peacekeeping measures and create security
- Implement market economy and intensify trade
- Improve the chances of existence and survival: Education and health
- Safeguard the future: protection of Environment, climate, and resources
- Harmonise development initiatives and design more cohesive policies
- Promote concentration on specific sectors, regions, and organisations
- Use funds more effectively

BACKGROUND

Africa is often described as the continent of the seven deadly afflictions: conflicts, corruption, crime, capital flight, diseases, natural disasters, and starvation. Yet there have been positive developments in Africa, too, especially in the last few decades. Meanwhile almost all African countries endeavoured to institute democratic reforms and hold multi-party elections, particularly since the 1990s. At present, most countries are developing national strategies to alleviate poverty. There are unmistakable efforts concerning regional integration in regard to the re-establishment of the African Union and the foundation of the Pan-African Parliament in 2002 as well as the progressive development of regional organisations, such as the SADC, the SACU, and the ECOWAS. Established in 2004, the AU Peace and Security Council plans to develop its new security architecture so that by 2010, it will be ready for measures to prevent conflicts and to maintain peace. An African task force is being set up at the moment to serve this objective.

But these positive developments should not obscure our view of Africa's problems which do not only confront development cooperation with enormous challenges but have generally increased the pressure to succeed and to legitimise development aid, especially with regard to the fact that development performance has been rather poor during the past four decades in spite of the considerable sums spent on it.

However, development cooperation is not the only aspect under which cooperation and relations with Africa should be viewed. In numerous other political fields, such as foreign and security policy, economic and trade policy, and environmental and domestic policy (migration), our neighbouring continent is being considered from a variety of perspectives. In addition, there are numerous players, associations as well as civil and church organisations, every one of them with their own motivations and interests.



Closing a deal in Zambia: Far away from the globalised market.

Africa's challenges transcend the financial resources available to national and multilateral donors for development-policy interventions. Therefore, we need innovative concepts and ideas to improve the indispensable development cooperation with Africa without being restricted to it in scope.

For this reason, endeavours should be based on a partnership with Africa which, as the German chancellor put it at the 24th France-Africa Summit in Cannes in February 2007, goes beyond classical development cooperation so that the people on the ground actually benefit from it.

PROBLEM OUTLINE AND KEY CHALLENGES

Political, social, and economic framework conditions differ widely in the countries of Africa. Most problems, whether endogenous or exogenous, are highly complex and interdependent. In the following, the most important challenges will be outlined briefly, after which relevant recommendations for (development) policy action will be given.

POVERTY

More than 50% of Africa's population of more than 700 million live in absolute poverty, subsisting on less than 1 US Dollar per day. Consequently, the first of the eight Millennium Development Goals aims to reduce absolute poverty by half until 2015. While we are set to achieve this goal in global terms, particularly because of China's and India's great success in this respect, Africa is the only region where poverty increased in the last two decades. As poverty grew, the indicators of human development (HDI), such as life expectancy, infant and maternal mortality, and access to pure water, health institutions, and schools, hardly improved at all across the continent and even deteriorated markedly in some cases.

Poverty is and remains Africa's key challenge which must be tackled even more actively than before by both the African governments and the international community of states. Although more than 400bn Euros have been allocated to the purpose so far, the vicious circle of poverty in Africa has not been broken.

GOOD GOVERNANCE

Good governance is an indispensable prerequisite for sustainable development and poverty alleviation. The central paradigm of development cooperation, good governance not only means that government should be conducted responsibly and that the state should be functional and strong but also that civil society and the private sector should play an active role. The term relates to the quality of political decision-making

organs and processes or, in other words, to (participatory) legitimation. Implying the responsible administration and secure provision of public goods and services to all segments and strata of the population, it aims at sustainable development and the long-term welfare of the people as a whole.

In many countries of Africa, governance deficits threaten past achievements and obstruct potential future developments. Although they occasionally share certain phenomena, we need to distinguish three types of states with governance deficits. They are:

- So-called fragile states without a legitimate monopoly on the use of force, where there are deficits in the political control of power, where there is hardly any legal regime, where the security system cannot ensure either internal or external peace nor protect the nation's resources, where the state is incapable of providing key services in the fields of infrastructure, basic social provisions, education, health care, and environmental protection, where no functional political institutions nor checks and balances exist, where the institutions and processes that safeguard the rule of law are either nonexistent or only partly independent, and where it is impossible to combat corruption.
- States and/or governments whose capability to shape political, economic and social conditions is limited because related resources and/or institutions are lacking. Here, the express will to act under the guidance of development objectives fails because the structural prerequisites for its implementation are deficient.
- Governments which lack the will for development-oriented policy-making. Compared to the preservation and/or extension of their power, the importance (if any) of poverty alleviation and development orientation is secondary in these cases. Human-rights violations and the oppression particularly of minorities are prevalent, and corruption and intransparency are

the order of the day. A number of these countries are passing through a post-conflict situation. Because of their bad governance, they are regarded as difficult partners in development cooperation.

Because good governance plays a crucial role in development, and because governance deficits in Africa are occasionally severe (most so-called fragile states and so-called difficult partner countries are situated in Africa), this problem requires particular attention. What is more, it is exacerbated by China's (politically) unconditional engagement especially in these countries of Africa.

TRADE AND ECONOMY

Whereas about 12% of the global population live in Africa, the continent's share in the trade of the world currently ranges around less than 2%. Africa's share in global exports and imports, which in 1980 amounted to 5.9% and 4.6%, respectively, has since fallen to about 2% each, notwithstanding the fact that Africa possesses many commodities of strategic importance. These include the rich oil fields of Angola, Nigeria, Sudan, Chad, Cameroon, etc., a large proportion of the global gold (and diamond) reserves, 90% of the cobalt, 50% of the phosphate, and 40% of the platinum supply, and a large quantity of uranium, which is currently in great demand.

However, these resources are part of the problem, together with the structures of trade. As most industrial infrastructures are hardly diversified, minerals and agricultural products are exported (often at low world-market prices) while capital goods (most of them expensive) are imported, resulting in structural foreign-trade deficits. Moreover, the manner in which revenues from the sale of mineral resources such as oil, gold, or diamonds is handled is often intransparent, with the population benefiting only to a limited extent. In Africa and its countries, 'prosperity' is distributed highly unevenly. In the Democratic Republic of Congo, the per-capita income ranges around US\$ 92, while in Botswana, it amounts to more than 3,000 US\$. The GINI index, which measures the unequal distribution of property in a country, has been showing for years that inequality is greatest in Namibia.

Not all African countries can furnish market-economy framework conditions and investment incentives or legal certainty on which domestic as well as foreign investors depend. Not infrequently, capital flight and disinvestment follow after expropriations (the socialisation of private property which is then – incorrectly – passed on to some political clientele) and price controls.

Trade in Malawi: Without small market stalls such as these, many families could not exist.



It is true that in many African countries, the economy shows positive growth rates. The IMF estimates that the African economy as a whole expanded by about 5% in 2005, with Mozambique and Angola leading the field at 9% and 14%, respectively. However, a detailed analysis unfortunately shows that growth is not high, wide, and sustainable enough, and that its impact on poverty is inadequate.

Apart from countries like Nigeria, Sudan and, more recently, Angola, foreign direct investments (FDI) seem to bypass Africa almost entirely. In 2004, Africa received the lowest FDI total worldwide at 10bn US\$ (see UNCTAD), with Nigeria and Sudan absorbing more than 50% of that sum. The balance would be even worse without China's investments in resource-rich African countries. At the same time, it is remarkable that South Africa's direct investments in other African countries are growing.

Africa receives the lion's share of international official development assistance (ODA). In 2004, 33% of the ODA total flowed into sub-Saharan Africa (25.5bn US\$), often causing national budgets to become massively dependent on these foreign-capital inflows and net payments. In some countries, ODA accounts for more than 30% of the GDP (39% in Burundi) and more than 50% of the public budget. In 2004, the average amount of ODA per capita was 15 US\$ in all development regions, while in Africa it was 36 US\$. At 55%, therefore, ODA represents the continent's most important source of external funds.

As ODA consists not only of (non-refundable) subsidies but also of loans, an enormous debt burden was amassed. Most of the debtor countries of the World Bank and the IMF are located in Africa. As loans have to be serviced, foreign indebtedness impairs investments in infrastructure and human capital and, consequently, economic growth. It is true that there have been numerous debt-relief initiatives in the last few years from which Africa benefited out of all proportion. 25 of 29 countries qualified for the HIPC initiative, which has by now been implemented by 19 countries (15 in sub-Saharan Africa) which duly received comprehensive debt relief. In addition, the HIPC countries (most of them African) may take advantage of the multi-lateral debt relief initiative (MDRI) launched at the G8 Summit in Gleneagles in 2005. However, as high foreign indebtedness is often caused by structural problems and exogenous shocks, the debt burden of many of these countries will probably soon return to its former crushing level.



Education in Africa: Seminars held by women for women strengthen society.

In the numerous small and/or landlocked states of Africa, high transport costs and competitive disadvantages are caused by geographical determinants, such as remote and restricted markets, as well as by the inadequacies of their infrastructures. Until now, trade regimes like the Lomé and Cotonou agreements have hardly effected any significant changes in favour of Africa's markets. We can only hope that the Economic Partnership Agreements (EPAs) currently being negotiated between the EU and the ACP countries, to be implemented in stages from 2008 onwards, will improve the terms of trade for Africa's countries.

HIV/AIDS

In Africa, about 30 million people (6% of the population) are either infected with HIV or actually suffer from AIDS – 60% of all persons infected with HIV worldwide. At present, there are about 12 million AIDS orphans in Africa, a figure which, according to UNICEF, will rise to 20 million within the next three years. However, there are great regional and local differences in the scope of the HIV/AIDS pandemic, with the region of southern Africa, at 16%, much more gravely affected than east Africa (6%) or west and central Africa (4.5%).

At the micro-level, the socio-economic consequences of the pandemic include the collapse of social structures, the impoverishment of private households, and the loss of qualified workers in the private as well as the public sector (especially teachers). Consequences at the macro-level include reduced economic growth, demographic changes (shorter life expectancies), loss of tax revenues, the rerouting of funds to the health system (away from investments), reduced private spending, and a lower savings-to-income ratio.

CONFLICTS AND MIGRATION

Most of all warlike conflicts (11 at present) take place in Africa, affecting more than 150 million people. Generally, conflicts flare up in states which are (politically and economically) fragile anyhow, in states which are ruled by governments that only rarely show evidence of development oriented action, and which are regarded as difficult partners in development cooperation.

Conflicts not only destroy human lives and produce millions of refugees. It is true that Africa's share in the total number of refugees worldwide fell from 47% to 28% between 1994 and 1998. Even so, compared to its share of 12% in the global population, its share in the number of refugees at about 20% still is disproportionately high. At the same time, conflicts not only destroy infrastructures but also cause capital to flee the country, investments to decline, and economies to shrink. Among the international community of states, they absorb great sums being spent on various forms of intervention (military, civilian, and humanitarian). The intervention of the UN in the Democratic Republic of Congo, Monuc, alone costs about one billion US\$ per year.

CORRUPTION

Although Transparency International (TI) lists non-African as well as many African countries at the top of its corruption perception index (CPI), corruption is seen as a phenomenon that is particularly grave and widespread in Africa. Especially in countries with large reserves of natural resources, revenues do not (only) end up in the coffers of the state. If the state awards contracts without a transparent procedure, people lose confidence in their government. At the micro- as well as the macro-level, corruption causes legal uncertainty and tax revenue losses, impairing or preventing necessary investments at the same time.

CLIMATE CHANGE AND DESERTIFICATION

Africa is massively affected by the impact of the current climate change without having contributed to it in its present severity by its energy consumption and, more importantly, without being prepared for it. In many African countries, heat and drought, floods and tornados have been perceived as quasi-natural phenomena from time immemorial. For some years now, however, climate-related disasters have been multiplying and intensifying, with increasingly devastating consequences. Floods kill people and livestock, devastate fields and crops, deprive people of their livelihood, destroy important infrastructures (roads, energy supply), and often nullify progress in development that was laboriously achieved before.

The growing desertification affecting large areas in Africa, the extension of existing and the development of new desert regions, destroy arable land and pastures, cause migration movements, and frequently fan conflicts over natural resources such as land and water. As it is, only about half of the African population have access to clean drinking water. Global warming and desertification will further reduce that number, with devastating effects on Africa's people.

CONCLUSIONS AND DEMANDS FOR (DEVELOPMENT) POLICY

The problems which have been briefly and incompletely outlined above confront the international community of states and its members with great challenges. After all, we are not looking at isolated problems affecting a single continent but at problems concerning the community of states and mankind as a whole. The gravity and complexity of these problems do not only overstrain individual partner countries but also development cooperation as a political field. Therefore, we need to reconsider and redefine our relations with our neighbouring continent, Africa.

BUILD MUTUAL-INTEREST PARTNERSHIPS ON THE BASIS OF SHARED VALUES

"The humanity of the world will be judged by the fate of Africa." This statement by Germany's federal president, Horst Köhler, in his inaugural address in 2004 was more than an appeal to the humanity of the community of states; it was a reference to the ethical dimension of our dealings with Africa and its people. Development cooperation must be based on the dignity of man, from which springs a moral (and rationally justifiable) obligation to exercise active solidarity with the poorest of this world. This being so, our relations with our neighbouring continent must be guided by respect for the dignity of the individual, mutual regard, and symmetry in partnership. This forbids confining partners solely to their role as either givers or takers, thus establishing a relationship on equal level.

Protecting human dignity and promoting universal human rights as its legal codification must form the foundation of a value-based partnership with Africa, complemented by the fundamental values of freedom, solidarity, and justice which, after all, are enshrined in the Charter of the African Union.

This basis of shared values constitutes a sound foundation for an honest partnership in the pursuit of common and mutual interests. Instead of being merely the site of a charity event, Africa is a continent which,

together with its welfare, is of vital interest to the community of states. However, the values on which such a partnership is based must not be undermined by the pursuit of interests.

Preserving the African rainforest with its wealth of plants and animals is an ecological objective of growing global significance. Together with global warming and global climate changes, Africa's increasing energy consumption and CO₂ emissions are moving the continent into the focus of geopolitical interest. Moreover, Germany greatly depends on imports of mineral resources from Africa, being a country poor in resources. Conversely, Africa forms a highly interesting export market for numerous German products. Thus, common and mutual economic interests help to safeguard jobs on both sides.

On September 11, 2001, if not earlier, fragile states began to figure in security policy as potential retreats for terrorists and violent non-governmental players. As potential hotbeds of conflict, fragile states constitute a risk for their neighbouring countries and their region. Next to its humanitarian interest in peace and security for the people of Africa, Germany has a security-policy interest in political stability on the continent to make sure that no security-relevant dangers and global threats emanate from it. Africa's numerous conflicts are not the sole cause of refugee movements. Often headed for Europe, migrations are also being triggered by bad economic conditions. Consequently, there is also a domestic-policy interest in securing a life in peace and prosperity for Africa's people.

The recent debates about the deployment of the German Federal Armed Forces in Afghanistan and the Congo demonstrate that Germany is ready to shoulder its international responsibilities not only inside but outside Europe, and that it engages in international peacekeeping measures in its own interest.

This being so, the definition of political objectives in our dealings with Africa must be guided by universal values as well as common and mutual interests.

CALL FOR SELF-RESPONSIBILITY IN AFRICA AND STRENGTHEN REFORM INITIATIVES

None of the well-meaning proposals on improving development cooperation with Africa can take effect unless they tie in with the increasingly visible reform efforts of certain African states and players.

By re-establishing the African Union (AU) in 2002 and joining the New Partnership for African Development (NEPAD) in 2001, African states undertook to pursue the global standards of democracy and the rule of law as normative objectives. Besides constituting two prominent examples of Africa's growing sense of self-responsibility, these two instances are expressions of a vital partnership that is guided by mutual respect as well as by confidence in the ultimate effectiveness of Africa's reform efforts.

This obvious readiness to assume responsibility for solving Africa's problems deserves moral and financial support as well as intense cooperation. Therefore, assistance should be given primarily to those countries where positive efforts are evident. However, a partnership for reform deserves its name only if it is supported constructively, if problems and setbacks can be discussed frankly, and solutions are developed jointly. Therefore, consistently calling on the African Union to implement its own principles, such as democracy, the rule of law, and good governance, should be understood as a living manifestation of partnership.

START OUT FROM THE RULE OF LAW AND GOOD GOVERNANCE

In addition to being of eminent importance for the emergence and endurance of democratic polities, constitutional norms and institutions alone ensure sustainable development. What is more, constitutional structures guarantee the observance of universal human rights and liberties, besides acting as engines and catalysts of sustainable development. Their promotion must have priority among the objectives of development policy.

The crucial role and relevance of good governance in sustainable development makes enhanced commitment in this field indispensable. The focus should be on the development of functional governmental and democratic structures as well as an intact multi-party system so as to promote development-oriented governmental action and parliamentary activity as well as on ensuring the independence of the judiciary, legal certainty for persons and investors, and the participation of civil society. The proven instruments of Germany's development policy must be used purposefully in this context, including specifically value-based training and education for African elites and the promotion of development-oriented action among them. It will, however, be necessary to assign duties clearly to each organisation so as to create synergies.

For more than 40 years, Germany's political foundations have been pioneers in the field of good governance, gathering a vast store of experience and creating a comprehensive network of political contacts worldwide. As it was only in the last few years that all players came to appreciate the relevance of good governance, the political foundations must be given their due. Their unique contribution consists of development-cooperation activities in which value orientation and norms are of the essence. Governmental development cooperation must be complemented more than before by the work of the political foundations. This being so, it would be a logical conclusion to set up political cooperation (PC) as an independent pillar of German development cooperation next to technical and financial cooperation (TC and FC), and to equip it with adequate funds.

SUPPORT PEACEKEEPING MEASURES AND CREATE SECURITY

Peace and security are indispensable prerequisites for development. Consequently, conflict management and crisis prevention constitute elementary fields of intervention. The particular interests of individual states must not be allowed to lead to a minimum consensus that might compromise the integrity of Germany's development policy. As this policy is based on human rights of universal validity, these rights may not be weighed in the balance against individual interests.

African conflicts and wars must be contained and ended primarily by African peace initiatives. The Peace and Security Council of the African Union, which was founded in 2004, and the African peace force, which will be ready by 2010, deserve unequivocal support to enable them to take effective (subsidiary) action. The same holds true for initiatives to create an early warning system and to contain the trade in arms as well as for African (and international) peace missions.

IMPLEMENT MARKET ECONOMY AND INTENSIFY TRADE

Public funds alone will not solve Africa's problems or alleviate its poverty and the phenomena arising from it. More of these funds should be invested in improving not only political but also economic framework conditions. Creating adequate social and market-economy framework conditions will encourage private economic commitment as well as national and foreign direct investment. Towards this end, access to international markets, particularly those for agricultural products, must be facilitated, and fair terms of trade must be established for African products and services. Public development assistance might furnish much more powerful impulses for development if it were accompanied by the abolition of subsidies and tariffs.

Debt-relief initiatives complemented by efforts to eliminate the causes of fresh indebtedness may relieve the debt burden on national budgets and release funds for promoting trade and the economy.

Public-private partnerships (PPPs) furnish incentives for the private sector to commit itself. This commitment, in turn, serves to create jobs, establish a social middle class, encourage the informal sector of the economy to turn formal, and generate additional tax revenues.

Very probably, poverty can be alleviated most sustainably by improved economic activity and increasing economic growth in Africa itself. This, however, crucially depends on the self-responsibility and willingness to perform of our African partners as well as on transparency in all areas and at all levels, particularly where natural resources are concerned (see the Extractive Industry Transparency Initiative [EITI]).



Last muster in Kinshasa: Admiral Henning Bess, the officer commanding the German Eufor contingent, sends the German units on their way.

IMPROVE THE CHANCES OF EXISTENCE AND SURVIVAL: EDUCATION AND HEALTH

Qualified democracies depend on educated and informed citizens. A flourishing economy needs qualified, well-trained (and healthy) skilled workers. This is why it is so crucial to upgrade local education and training systems. In a fair partnership, however, it will also be necessary to enhance the transfer of knowledge by improving cooperation with African universities, especially where the training of experts and elites is concerned. Together with other diseases, some of which are poverty-related, the HIV/AIDS pandemic represents a grave humanitarian, societal, and macro-economic problem. This is why investments in the health sector must be stepped up, the instruments of choice being multi-lateral initiatives and global funds.

SAFEGUARD THE FUTURE: ENVIRONMENTAL, CLIMATE, AND RESOURCE PROTECTION

Besides lying in Africa's own interest, extracting and managing the continent's natural resources conservatively and responsibly is a matter of global importance that has been in the focus of Germany's development policy for many years. Initiatives to protect the tropical rainforest in the Congo basin as well as others whose importance extend beyond Africa to the entire globe must receive further support. Thus, investing in the development and use of renewable energies, especially solar energy, becomes a landmark project for the future of Africa. Combating and containing desertification and establishing a rational transboundary water-management system makes sense not only

in ecological but also, and increasingly, in security terms. After all, experts fear that the wars of the future might be waged not over oil but over water, especially in Africa.

HARMONISE DEVELOPMENT INITIATIVES AND DESIGN MORE COHESIVE POLICIES

Harmonising the engagement of as many donors as possible (multi-lateral organisations included) and establishing a rational division of labour among them would greatly enhance the effectiveness of fund use and improve its results. Moreover, the use of the instruments and approaches of development policy must be harmonised more closely among donors (joint donor approach) so that they complement each other while remaining differentiated and customised.

The Millennium Declaration of September 2000 and the Millennium Development Goals, eight ambitious objectives which 189 states set themselves, were milestones on the way to realising shared goals so as to cope with global problems. The international conferences on donor harmonisation (Rome, 2003) and on enhancing the effectiveness of development policy (Paris, 2005) succeeded in achieving a broad consensus among the donor community. However, to deal effectively with Africa's challenges, whose global dimensions are becoming more evident every day, the cohesion achieved in politics so far must be sustained. In Africa, development cooperation will necessarily remain ineffectual in many places if foreign countries, such as China in Sudan, negatively influence the political, economic, and social framework conditions prevailing in African countries and connive at genocide to serve their own interests. Insisting on good governance, the new paradigm of (western) development policy, turns into a farce if it is not recognised by all states as a universal guiding principle. This being so, both partners in development must be consistently called upon to implement good global governance.

Beyond that, Germany will have to establish political coherence in its partnerships with African countries. The institutional self-interest of some actors, personal motives, and a tangle of competences cause inconsistencies in Germany's actions in Africa. Germany's appearance in multi-lateral organisations as well as in contacts with our African partners can only be consistent and effective if convergent goals and strategies are defined across institutional borders (a national action plan for Africa) and responsibilities are defined unequivocally (a commissioner for Africa with policy-making competences and a 'robust' mandate).

ADVANCE SECTORAL, REGIONAL, AND ORGANISATIONAL CONCENTRATION

The current financial circumstances and the insight that the prospects of success are limited should not only induce development policy to act more modestly, they also make it indispensable to focus on certain priorities in cooperating with Africa. To tackle the above-mentioned problems effectively, it will be necessary first and foremost to concentrate on key sectors. Among these, priority should be accorded to good governance, economy and trade, education and health, peace and security, and environmental, climate, and resource protection.

For the international community of states there is no alternative to visible engagement in all African countries. Conversely, Germany needs to concentrate in its bilateral development cooperation on a limited number of countries in Africa to heighten its chances of success. The criteria should include poverty (solidarity), political importance (significance), economic relevance (German interests), and suitability for partnership. Of these, political importance mainly depends on the size of a country's population, its international presence, and its ability to project power. Economic relevance is mainly determined by the size of a country's market, its economic dynamism particularly in foreign trade, and its raw-material resources. Under the heading of suitability, the chances of success are certainly greater in partnerships with reform-oriented countries and so-called 'good performers'. Difficult partners and countries with bad governance can be a particular challenge for non-governmental organisations such as political foundations, whose options for intervention are more flexible not being confined to sectors specified in bilateral agreements.

In Africa, numerous multi-lateral organisations are active in development cooperation. Often this results in duplicate structures, similar programmes and parallel efforts caused by lack of consultation, synergy deficits, etc. Germany supports many of these multi-lateral institutions, particularly those of the United Nations, without being able to exercise adequate political influence on them.

The relevance and efficiency of these institutions in development policy should be reviewed as it appears apposite for Germany to concentrate its commitment on institutions that are both important and effective. As the effectiveness of multi-lateral cooperation "leaves much to be desired", as the current OECD/DAC report on Germany's development cooperation puts it, and as these institutions nevertheless receive more than 40% of Germany's ODA (although the Appropriations Committee of the Federal Diet holds that BMZ contributions should be limited to 30%), it appears important to reduce and reshuffle appropriations in favour of bilateral cooperation to a reasonable extent.

Thanks to their pluralist approach, Germany's governmental and non-governmental organisations of development cooperation are in a position to intervene flexibly and constructively at all levels. This strength would become even more visible if their commitment was better coordinated and their profile sharpened purposefully.

USE FUNDS MORE EFFECTIVELY

As funds are limited, enhancing the effectiveness of international cooperation is a matter of urgency. Not only does the Federal Court of Audit keep pointing at this in its reports on German development cooperation, it was also postulated in numerous international declarations, the last and most prominent among these being the Paris Declaration on Aid Effectiveness of 2005. But even if public funds were used effectively, the supply would not be enough to cope with Africa's massive problems. It is true that the demand to increase ODA to 0.7% of the GDP had been made since 1964 before it was ultimately laid down as a binding target for 2015 in the EU Stage Plan. But even though the proportion of 0.7% is now an official target set by both the former and the present Federal Government, achieving it still represents a great financial challenge to the federal budget, whether or not innovative financing instruments are used.

Incidentally, the demand for a massive increase in ODA has caused a growing number of scientists to analyse and question the relation of use of funds and their effectiveness. After all, various initiatives undertaken in recent years, particularly during Britain's presidency of the G8 Council in 2005, as well as important players like Jeffrey Sachs (advisor to the former UN Secretary General, Kofi Annan) and several highly popularised beneficial concerts have done much to convey the impression that Africa's problems might

be solved merely by stepping up development aid ('spending a lot helps a lot'). What is more, in his demand for a 'big push' Sachs implied a 'big trap', a great and tragic development trap in which Africa is caught, and from which it can only be freed by massive support from outside, like a god appearing from above.

However, more recent studies have come to the conclusion that there is no linear link between input and output, that not every additional Euro that is spent will enhance development correspondingly, and that above a certain threshold, ODA might even have a negative effect. Moreover, increasing ODA may enhance national dependence and cause persistent macro-economic problems. Thus, stepping up ODA in quantitative terms (input) must be accompanied by improving concepts and instruments in qualitative terms (output). To obtain a sustainable effect, therefore, there is an urgent need for using public funds even more efficiently and purposefully.

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