



# **The 7<sup>th</sup> Africa Resource Bank Meeting**

**Theme: Probing Governance and  
Prosperity in Africa**

**Date: 11-14, November 2009**

**Venue: Arusha, Tanzania**

## **Report**

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## **1. Background**

Founded in 2001, Inter Region Economic Network (IREN) has organized over 72 high profile forums and hosted over 4,500 delegates from across the globe with varied professional backgrounds. Africa Resource Bank (ARB) is one of the IREN's key forums that target policy makers, think tank leaders, business leaders, media, industry players and academia, for annual brainstorming sessions on various issues that affect Africa.

Since 2003, over 270 delegates have brainstormed on various themes that include:- Building Africa Through Trade; Property Rights in the African context; Conquering poverty in Africa through business; Turning African people into a resource; Positioning Africa in the 21st Century and Commercializing Africa's Resources to Promote Prosperity. The 7<sup>th</sup> ARB meeting was held under the theme '*Probing Governance and Prosperity in Africa*'.

In all ARB meetings varying viewpoints have been the key driver to discussions. Interested persons apply to attend the meeting and all selected delegates are notified through email. The annual themes are set in line with the feedback received from the previous meeting.

### **1.1.1. The key Objectives of ARB Meetings**

- Knowledge sharing
- Networking
- Promoting concepts that enhance economic freedom for the African people.

## 2. Introduction

The 7th Africa Resource Bank meeting was held at Arusha in Tanzania. Delegates hailed from various African countries that included Liberia, Nigeria, Kenya, Uganda, South Africa and Tanzania. Germany was also represented by officials from the Friedrich Naumann Stiftung für die Freiheit. The delegates were drawn from various professions namely; academia, corporate, media, members of parliament, civil society and think tanks. This formed a nice blend of opinion on the theme of the day: *Probing Governance and Prosperity in Africa*.

### 2.1. Objectives of the 7<sup>th</sup> ARB meeting

- Redefine governance
- Identify measurement tools and standards
- Identify the role Africans should play in order to promote prosperity in the continent.

The group sessions were particularly invigorating and clearly defined the theme of the meeting. Country case studies included Tanzania: *How international companies are colluding with the local governments in the mining industry* and Liberia: *Female Leadership in Africa: Ellen Johnson Sirleaf's Legacy for Succeeding Generations*.

At the conclusion, a resolution emanating from the various group discussions was circulated to delegates for two weeks for further edits and adaptation.



Delegates at the 7<sup>th</sup> ARB Meeting

## **2.2. Welcome Remarks By James Shikwati – Director IREN/CEO-The African Executive Magazine**

Mr. Shikwati outlined that the Africa Resource Bank (ARB) was founded in 2003, based on a concept borrowed from America. The Africa Resource Banks aims at bringing Think Tanks together to propagate ideas that can put Africa on track and recreate it. The initial concept was referred to as Africa Freedom Network with membership that included think tanks from Nigeria, Ghana, Kenya and South Africa. It changed to ARB to include wider participation by Africans with varied persuasions.

James then introduced the theme of the 7th ARB meeting: “Probing Governance and Prosperity in Africa.” The key highlights included:-The effects of Africans running away from their history or simply imbibing misrepresentations of the past; effects of Global economic giants funding and determining the course of events on the continent and the need to confront the impact of the global economic recession on African people. James also introduced the results of *The African Executive Magazine* online survey on governance and prosperity conducted between July to September 2009 (<http://www.africanexecutive.com/downloads/AE%20Governance%20and%20Prosperity%20in%20Africa%20Poll%20Results.pdf>). He appreciated the role played by the partners of ARB: Friedrich Naumann Stiftung für die Freiheit (FNSt), Diageo and individual delegates.

## **2.3. Opening Remarks by Hubertus Von Welck – Regional Director Africa, Friedrich Naumann Stiftung Für Die Freiheit**

Mr. Von Welck (FNSt Regional Director, Africa) appreciated partnerships with IREN Kenya since 2003 and participation in the 7th ARB meeting. He said that FNSt (founded in 1958 by then German President Theodore Heuss, to educate Germans on the intrinsic value of liberal democracy after years of fascism) stands for liberalism, freedom and democracy based on the German parliamentary foundation. FNSt is networked currently with over 50 countries.

Mr. Von Welck observed that the African agenda is given priority by current German president Horst Kohler. He acknowledged that Africa is rich in natural resources and concurred with US President Barack Obama’s remarks that African problems must get African solutions by looking at history as an impetus to good governance.

### **3. Redefining Governance in Africa: A Discourse on Good Governance, Democracy and Leadership**

#### **3.1. The keynote address was presented by Prof. Macharia Munene**

The key arguments in Prof. Munene's presentation were as follows:-

1. Colonialism transformed Africa socially and mentally, but disrupted indigenous value systems by declaring all African values to be inferior. This made it impossible to resuscitate African values. Post colonial leaders became externally beholden and allowed society to be manipulated by foreign interests. This explains bad governance and mediocrity in leadership in Africa today. A rethink of governance in Africa is necessary to restore trust in the African self.
2. 'Society' refers to organized ways of life or forms of governance set up in order to advance common interests that depend on environmental conditions and efforts mounted to improve life. To be organized implies a form of governance that regulates belief systems, customs and behavior, relations between people in society and enforcement of accepted norms.



From Left Hubertus Von Welck (Regional Director Africa FNSt), Prof. Macharia Munene (USIU) and James Shikwati (Director IREN) during the opening session of the 7<sup>th</sup> ARB Meeting

3. Organized societies develop “common interests” or the “center” around which everything else rotates. Governance is then perceived to be activities and actions that are geared towards the advancement and protection of such interests.
4. Since governance is not isolated from other external forces, every governing system should look at the concerns that can affect the “centre.” These include: Interests of other geopolitical entities; relative distance from the “centre;” as well as physical, economic, ideological, political, military and cultural threats. The “center” is defined by “who we are” and “what we have” that has to be protected from the “other.” Africa is going through tough times and it requires a focused rethink with regard to governance structures and leadership. Strong leadership is required to safeguard interests of Africa’s “center;” and it is a sign of bad governance to have weak, indecisive leadership when times call for inspiration.
5. The inability to protect core interests is evidence of bad governance. This is a disease that affects African countries. In refocusing governance, consciousness of the expanded democratic space and the level of public awareness and involvement is critical.

#### **4. WORKSHOP OUTCOMES ON THE KEY THEMATIC AREAS**

##### **4.1. How has the political leadership in Africa affected governance and prosperity on the continent?**

- Leadership in Africa should be defined in a broader perspective, that is, each African ought to recognize that he/she is a leader; and that leaders can be visible (e.g. politicians) and invisible (parents, workers etc)
- Africa suffers “surrendered leadership” at all levels.
- Political leadership has failed to provide a business friendly environment to the citizenry hence compromising prosperity on the continent.
- Political leadership has failed to measure prosperity in Africa in terms of human dignity and service delivery.
- Leadership in Africa is not ideologically driven. Instead, it’s focused on brainwashing and short term materialism. This makes it difficult to develop a “common interest” driven political agenda.
- Leaders at all levels play the victim and blame games instead of driving for solutions.
- Borrowed institutions such as the leadership language alienate the ordinary African people from participating in decision making. For example, since legislation is done in foreign languages using templates that are not easy to interpret locally, Africans are forced to say what they “can” say but not what they “want” to say.
- Colonialism’s historical influence on intellectual/political leadership has robbed Africans of the ability to nurture their own ideological values. Intellectual leadership has failed to assist governments develop and strengthen pillars of government
- Negative effect of democracy through political and economic marginalization on the basis of voting pattern is evident in many African States.

##### **4.2. What role have foreign countries played in the governance and prosperity dilemma facing Africa?**

- It is both positive and negative depending on one’s perception. For example, it can be viewed as positive when they support “liberation movements” against dictatorship and colonialism.
- It is negative when it sustains undemocratic regimes in power at the expense of citizens’ interests.
- Foreign countries’ use of institutions such as the International Monetary Fund/ the World Bank to impose policies on African countries that impoverish, create debt traps

and allow foreign countries to plunder African resources compromise governance and prosperity on the continent.

- Dependency on aid from foreign countries has undermined productivity, local innovation and skills and encouraged corruption in the public sector.
- Foreign countries have undermined governance in Africa, promoted skewed prosperity and development hence the urgent need to redefine prosperity and development for the continent.



Delegates during the group discussions

#### **4.3. Are Africans Doing Enough to Build Their Own Governance and Prosperity Structures?**

##### **4.3.1. Governance Structures in Africa:-**

- Are already “over-structured” e.g. Kenya has 6 structures dealing with corruption.
- Have duplicated activities that do not achieve goals efficiently.
- Are uncoordinated and sometimes contradictory hence stretching a country’s resources.
- Have no enforcement mechanisms to ensure accountability
- Are politically driven thus only responsive to political interest.
- Are based on alien ideologies and disconnected intellectual input hence do not respond to actual needs

##### **4.3.2. Prosperity Structures in Africa**

- Are weak
- Are geared towards turning citizens into mere consumers but not creating wealth/productivity and equity
- Do not push for allocation of business and tools close to resources
- Hardly benefit the citizenry

- Are not streamlined

#### 4.3.3. **Way forward**

The question should rather be: Are Africans building the right structures, rather than, are Africans doing “enough”?

We should

- Create ideological and intellectually driven structures that respond to actual needs of the African people.
- Focus, evaluate and streamline structures.
- Incorporate existing indigenous social and productivity structures and build on them.
- Define our “core interests,” that is, what is it that we want to protect?

#### 4.4. **Do We Need New Institutional Structures To Better Govern African Countries?**

**NO.**

The structures exist but are underutilized or inappropriately co-coordinated.

We should

- Audit and re-evaluate the authenticity of the existing structures but not re-invent the wheel
- Align existing structures to Africa’s “core interests”
- Not sanction institutions that don’t comply with agreed standards/regulations
- Be keen on proper leadership/leaders
- Empower free market economies e.g. the indigenous non formal sector participation in global market systems
- Carry out constitutional reforms relevant to the promotion of institutional growth as opposed to focusing on individuals
- Embrace limited government structures and promote innovative thoughts

#### 4.5. **What Standards Of Measurement Should Africa Adopt in Its Quest For Better Governance And Prosperity?**

- A vibrant civil society
- Correct policy implementation
- Democratic governance.
- Respect for representative constitution.
- Free and fair elections
- Prevention of abuse of power by decentralization of state powers
- Homegrown ideas instead of overdependence on foreign ideas
- Core values of a country must be embraced and not compromised by state functionaries
- Separation between party and state
- Professional civil service
- Freedom of the press

- Balanced and responsible media
- Competition in politics and business and nurturing of structures that encourage the same
- Freedom from the aid trap



Delegates report back from the group discussion

#### 4.6. What Impact Will the Current Global Economic Slowdown Have On Africa's Governance Systems?

##### Positive

African countries

- Will come up with new innovations and expand existing markets
- Will be driven towards governance and mobilization of opportunities.
- Will redefine Africa's core values and interests
- Will create local banking initiatives /embracing saving and credit societies
- Will need to consider indigenous governance

##### Negative

- Undermine local economic structures for exotic/external modules e.g use of stimulus/rescue packages by wealthy nations to entrench themselves on the continent
- Aid models will be repackaged to suit the interest of donors
- The threat of an international state/wealthy nations colluding with the national leadership to undermine the local state/government

- Spreading of debt instead of wealth across Africa



The African Elders Circle

## 5. Conclusion

The delegate took time to define governance, prosperity and development. Governance was defined as the way of regulating and enforcing what is expected in a place with appropriate enforcement mechanisms, by a people in their best interest. Prosperity was defined as achieving what an individual or country aspires to. While development was defined as the process of achieving an individuals/country's needs.

It was observed that Africa must urgently define its “core interest” if its global participation has to be of any benefit to its people. That Africans must realize they are all leaders and put to an end the culture of “surrendered leadership.” And that the “language of leadership” in Africa ought to be redefined to enable citizens participate effectively in governance and prosperity goals.

It was agreed that the concept of governance and prosperity need further discussion among the African people. Going forward it will be of strategic importance for Africans to actively contribute and play a role in determining the measurement indexes on issues and concepts that impact on their daily lives.

**6. List of Delegates**

	<b>NAME</b>	<b>Organization</b>	<b>COUNTRY</b>
1	Samuel Njue Nyaga	Rural Enterprises Training Initiatives	Kenya
2	Paul Okumu	SISA Centre for Corporate Partnership	Kenya
3	Ansell, Damon	Diageo	Kenya
4	Prof. Macharia Munene	United State International University	Kenya
5	Harrison Maganga	ACTs Kenya	Kenya
6	James Shikwati	IREN	Kenya
7	Anne Mugoya	IREN	Kenya
8	Ben Keya	IREN Board	Kenya
9	Dishon Shihundu	Ministry of Education	Kenya
10	Gbawu Flomo Woiwor	Interpeace -Liberia	Liberia
11	Adedayo Thomas	AfricanLiberty.org	Nigeria
12	Nthamaga Kgafela	South African Institute of Race Relations	South Africa
13	Amira Elibiary	Friedrich Naumann Stiftung für die Freiheit	South Africa
14	Temba Nolutshungu	Free Market Foundation( FMF)	South Africa
15	David Henneberger	Friedrich Naumann Stiftung für die Freiheit	South Africa
16	Mr. Hubertus von-Welck	Friedrich Naumann Stiftung für die Freiheit	South Africa
17	Barbara Groeblichhoff	Friedrich Naumann Stiftung für die Freiheit	South Africa
18	Phumzile Van Damme	Democratic Alliance	South Africa
19	Mireille Wenger	Democratic Alliance	South Africa
20	Chambi Chachage	Independent Researcher	Tanzania
21	Herieth Koka	Eastern and Southern Africa Management Institute	Tanzania
22	Veni Swai	Friedrich Naumann Foundation	Tanzania
23	Moses Robson	Tanzania Youth Vision Association	Tanzania
24	Kulaba Moses	Agenda Participation 2000 (AP2000)	Tanzania
25	Apollo Nyangasi	Uganda Health Workers' Union	Uganda
26	Matojo Tiguragara .S	RADIO WEST /VISION GROUP	Uganda
27	Jossy Muhangi	African Press Agency	Uganda
28	Judith Auma	IREN	Uganda
29	Norah Owaraga	Executive Support Services	Uganda
30	Martha Mwandha Kaganzi	Parliament of Uganda	Uganda
31	Justine Namubiru	Parliament of Uganda	Uganda
32	Hon. Reagan Okumu	Parliament of Uganda	Uganda
33	Hon Busima Cosmas	Parliament of Uganda	Uganda