

It's all happening in Africa

There's been a burst of political activity in the last couple of weeks. Morgan Tsvangirai agreed to join a government of national unity with Robert Mugabe, despite the MDC not getting the Home Affairs portfolio. Sheikh Sharif has been voted in as new President of Somalia. And a deal has been struck between DRC President Kabila and Rwanda's President Kagame in the eastern Congo.

It is easy and prudent to be sceptical, but all three represent potentially positive political developments, and could facilitate efforts to address humanitarian crises and revive licit economic growth.

There are many knotty political problems on the horizon. The AU has requested that the UN suspend the ICC's indictment of President Omar Bashir. This issue could complicate the task of the AU/UN Peace Keeping Force in Sudan. Africa needs a strong political voice in a year when the global economic architecture may be redesigned, decisions taken about the global climate change regime, and trade. Who will represent Africa at the G20 in April? The election of Muammar Gaddafi as chair will certainly raise the African Union's profile.

Africa featured on snowy Swiss peaks in Davos. Trevor Manuel described the impact of investment withdrawal and plummeting commodity prices. The World Bank warned of tens of millions more people going under the poverty line, growth rates slowing to 3.5% in 2009 (down from its pre-crisis forecast of 6.8%) and possibly to 2.5% in 2009. Donald Kaberuka offered a ray of hope – that 2009 might see the beginning of slow recovery in Africa.

Looming over Davos was the spectacular failure of financial governance in rich countries and what should be done about it – whether the political will is in place to reform and strengthen global institutions, to resist protectionism and instead implement a coordinated global economic stimulus plan, and to use the crisis to break the world's catastrophic dependence upon fossil fuels. Given that Africa's progress is at stake, it has to be part of the solution.

APP Activities

Kofi Annan co-Chaired the 2009 World Economic Forum in Davos, Switzerland. On Friday 30 January, Mr. Annan launched the Africa Progress Panel report "[Africa: Preserving progress at a time of global crisis](#)" ♦ **Tony Blair** also attended the WEF. At a session on "[The Values Behind Market Capitalism](#)" he stated "The free enterprise system as a whole has not failed, the financial system has failed". ♦ On 21 January, **Graca Machel** said that southern African leaders have "[blood on their hands](#)" for not stopping Zimbabwe's crisis ♦ On 23 January, **Olusegun Obasanjo** said that the arrest of DRC Congolese rebel leader does not in any way affect the work of the UN.

News Overview

The **African Union finished its 12th Summit** on Tuesday 3 February in Addis Ababa, with the continent's infrastructure development having featured high on its agenda. The first day of the summit was dedicated to a special session on Africa's Union Government. Libyan leader Muammar Gaddafi was elected as next chairman of the 53-nation African Union, prompting renewed interest in his [political vision](#).

A two day "**High Level Meeting on Food Security for All**" convened by the United Nations and the Spanish government was held in Madrid on 26 and 27 January, a follow-up meeting to last year's UN-sponsored summit in Rome. The head of the FAO, Jacques Diouf, urged donors to release the billions of dollars they have already pledged to alleviate hunger amid the global food crisis. The meeting was said to have ended without approving concrete measures but with a commitment to redoubling efforts to bolster official development aid (ODA). Some [NGOs were unhappy with this outcome](#).

In **Zimbabwe** [Morgan Tsvangirai](#) has said his party will join a unity government with President Robert Mugabe's Zanu-PF next month. The deal, proposed by Southern African leaders, would see Mr Tsvangirai sworn in as prime minister on 11 February. In the meantime the WHO has said the [cholera outbreak](#), has now infected 63,000 people and killed more than 3,000. WHO assistant director general Eric Laroche warned the outbreak would continue unabated unless "political differences are put aside", impoverished Zimbabwean health workers are paid, and the country's health system is bolstered.

In **South Africa** [election tensions](#) between the African National Congress (ANC) and the Inkatha Freedom Party (IFP) soared in KwaZulu-Natal at the weekend.

Moderate Islamist leader [Sheikh Sharif Ahmed](#) has been elected as **Somalia's new president** after a secret ballot of members of parliament in Djibouti. The election followed the resignation of President Abdullahi Yusuf Ahmed. Mr Ahmed comfortably won a majority in a second round of voting.

The UN mission to DR Congo (Monuc) says it will provide support to the joint **DR Congo-Rwanda** operation against Hutu rebels in the east of the country. Meanwhile, the arrest of Congolese warlord Laurent Nkunda has been cited by Mr. Jean Ping, Chairman of the AU Commission, as "heralding promising prospects with regard to return of peace in the region."

Sudan's government has urged peacekeepers to leave the rebel-held Darfur town of Muhajiriya, amid fears that an attack is imminent.

On 26 January, the trial of Congolese rebel leader **Thomas Lubanga** started at the ICC in the Hague.

Featured Quote

“ Forget the lectures. For the first time, we are not going to have lectures from the developed world about how to run our economies ”

President Bharrat Jagdeo of Guyana, former Board member of the World Bank and IMF, speaking at Davos

On the blogs

[The Wall Street Journal: Kofi Annan's WEF Blog](#)

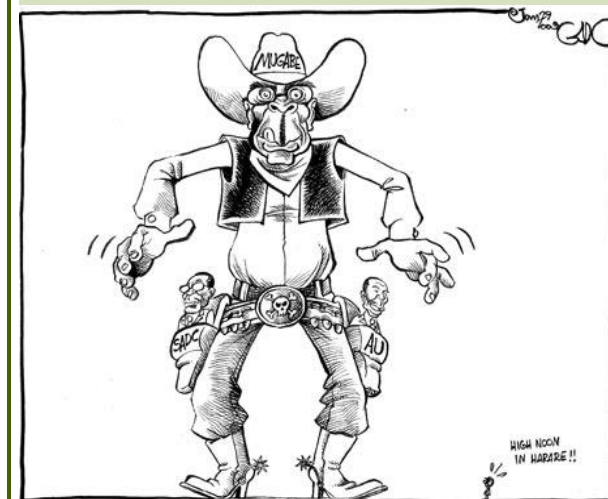
In his final post, the former U.N. Secretary-General says extreme expectations of this week's Davos conference were always wide of the mark, but that leaders have to "to move beyond declarations of principle to action".

[Ideas4Development.org: Can we manage this crisis differently? Bailing out the poor, not just the banks, 26 January 2009](#)

The UK's DfID Permanent Secretary, Minouche Shafik, writes that "in every economic crisis, it is the poor that suffer the most ... In past crises, we have focused too late on adverse effects on poor people. Can we do it differently this time?"

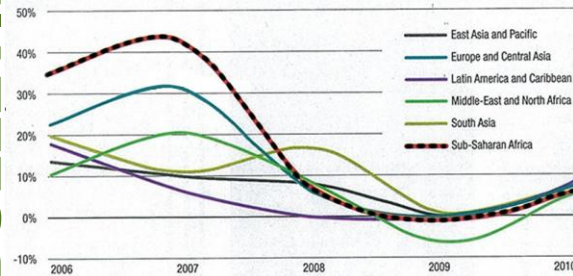
[AfricanArguments.org: Africa, the U.S., China and the Economic Crisis, January 2009](#)

Stephen Ellis, at the Free University Amsterdam and former head of the Africa programme at the ICG writes that "on the face of it, Africa has been relatively unharmed by the world financial crisis", "yet the world is not just dealing with a financial crisis, but with a recession as well. Here, Africans are affected like everyone else. The continent still depends largely on exporting primary products".



[Daily Nation](#), Kenya 29 January 2009

Growth Rate of Remittances



Source: The World Bank

G20 Update

Economic Growth

CHINA - China-Africa trade has surged by an average 30 percent a year this decade, soaring to nearly \$107 billion in 2008. "China is in Africa for the long term"

INDIA- Trade with Africa is expected to triple in the next five years to reach \$100 Billion

Social Sectors

UK - Secretary of State for International Development Douglas Alexander said that 2009 would be crucial in determining the shape, scale & ambition of the world's response to climate change

UK - Ivan Lewis, Minister for International Development, demanded global response as world's hungry is set to hit 1 billion, at the Food Security for All conference in Madrid

USA - USAID has launched the Community Connector (C2), a web-based platform that will pair US-based organizations and communities with NGOs, nonprofits, and community organizations overseas in need of physical resources, services, and expertise

GERMANY -The International Renewable Energy Agency has been founded in Bonn

Financial Flows

UK -In partnership with the Overseas Development Institute and Business Action for Africa, DfID Minister Mike Foster called on business to help protect poorest from impacts of economic crisis

GERMANY- Heidemarie Wieczorek-Zeul, Germany's Development Minister on Thursday called for more aid to help poor nations weather crisis

Politics

FRANCE - France will halve the number of troops deployed in Ivory Coast to 900 by the summer because of improved security there

Opinions

Business Day (South Africa): We need a shift from hubris to humility in Davos, 29 January 2009

Commenting on WEF, Kuseni Dlamini, head of Anglo American SA, writes that "this is the time for a new brand of global leaders, who can undo the mistakes of the past and present and set an enduring foundation for inclusive and sustainable prosperity for generations".

Vanguard (Nigeria): Getting electoral legitimacy right – three African success stories, 28 January 2009

In a discussion on "getting electoral legitimacy right", journalist Ladipo Adamolekun writes that "in every success story, the quality of national leadership and/or the strength of the core institutions that impact on the conduct of elections (constitution and electoral body) are the key success factors".

Business Day (South Africa): More aid is not what Africa needs from Obama, 26 January 2009

Dr Greg Mills, head of the Johannesburg-based Brenthurst Foundation, and Dr Terence McNamee, a director of London-based RUSI, write that whilst Barack Obama "is to be lauded for his commitment to Africa" his "plan for the continent's renewal is misguided".

The Times (UK): 'No country, no matter how powerful . . . can control the forces of globalisation on its own', 26 January 2009

Writing on the economic crisis ahead of the World Economic Forum, Kofi Annan writes that "in every crisis, however, there is opportunity. If we have the courage to learn the lessons of the past 18 months and put them into practice beyond the economic sphere, we can put in place new foundations to reshape our world for the better".

New York Times: A Stimulus Package for the World, 22 January 2009

Commenting on Barack Obama's attendance at the upcoming G20 Summit in London, World Bank President Robert B. Zoellick writes that "the president, with bipartisan backing in Congress, should call for each developed country to pledge 0.7 percent of its stimulus package to a vulnerability fund for assisting developing countries that can't afford bailouts and deficits".

The Asahi Shimbun (Japan): Bob Geldof - Japan can benefit from helping Africa develop, 28 January 2009

APP Panelist Bob Geldof writes that in 2008 "Japan had an unprecedented opportunity to demonstrate global leadership and make real progress in the fight against poverty. However, despite several important commitments ... Japan didn't quite do enough". He advises that "2009 is critical for Japan's growing engagement with Africa. But the terms of this engagement are changing".

FT: Lunch with the FT - Dambisa Moyo, 31 January 2009

Dambisa Moyo, global economist at Goldman Sachs, argues that as China and other emerging powers have competed for opportunities and resources overlooked by former colonial powers, "Africa has new trading partners" and "it doesn't have to grovel to the west".

Multilateral Organizations

African Union

- [African Union Summit: Infrastructure Development in Africa](#)

AfDB

- [As part of its US\\$3.7 billion 2009 borrowing program, the AfDB has successfully executed a US\\$1 billion benchmark global bond issue in the international market](#)

World Bank

- [Obiageli Ezekwesili, the World Bank's vice president for the Africa region said that Africa's Growth will slow down to 3.5% in 2009 and could drop to 2.5% in 2010 unless rich nations take action to counter the impact of the global financial crisis](#)

IMF

- [In its latest assessment of the world economy the IMF has stated that world growth has grinded to a virtual halt, urging a decisive global policy response](#)

UN

- [UNCTAD has estimated that Global Foreign Direct Investment \(FDI\) inflows have fallen by 21% in 2008 to an estimated US\\$1.4 trillion, and will likely fall farther in 2009](#)
- [UN refugee agency calls on Kenya to stop forced return of Somali asylum-seekers](#)
- [President Obama has pledged to restore US funding to the UNFPA in upcoming appropriations](#)
- [The ICC has started the trial of Thomas Lubanga Dyilo, the Congolese warlord accused of recruiting child soldiers](#)

OECD

- [Angel Gurría, the OECD Secretary-General states that the world needs to rewrite the rules of finance and global business](#)

Calendar

2-4 Feb	Global Peace Conference: One Kenya, One Dream: The Kenya We Want. Nairobi, Kenya
3-4 Feb	WTO General Council. Geneva, Switzerland
13-14 Feb	Meeting of G7 Finance Ministers and Central Bank Governors. Rome, Italy
16-18 Feb	4 th Extractive Industries Transparency International (EITI) Conference. Doha, Qatar
19 Feb	International NGO meeting on climate change. Copenhagen, Denmark

For more information, contact:

Michael Keating

Director, Africa Progress Panel

9-11 rue de Varembé, 1202 Geneva, Switzerland

Tel + 41 22 919 7520

info@africaprogresspanel.org