

New Zealand and Africa: A New Beginning

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Introduction: the way we were

In any review of New Zealand's relations with Africa, two matters relating to the focus and extent of the relationship, stand out.

1. New Zealand's relationship with Africa has been dominated by South Africa, and to a lesser extent, by the wider Southern Africa region.
2. New Zealand's relations with Africa are critically underdeveloped.

- * of the 42 sub-saharan states, 15 are Commonwealth. Despite this, New Zealand has only one diplomatic post on the continent in the Southern African State of Zimbabwe.
- * New Zealand's trade links with Africa are insubstantial - 2% of total exports less than 1% of imports.
- * New Zealand development assistance to Africa is 7.69% of the total Development Assistance Programme. (1.53% of total bi-lateral vote, 44.95% of the multilateral vote.) Africa is the world's poorest continent. 30% of the world's poor live in Africa; by the year 2000 this will have increased to 40% (more than in all of Asia).

All of this points to the need for a substantial increase in all aspects of New Zealand's relations with Africa. It is not difficult to develop a policy package aimed at securing such an increase. Nor is it difficult to establish solid reasons as to why our relations with Africa should be so developed.

We would like to see all political parties in New Zealand committing themselves to a package of proposals which they undertook to implement by the year 2000.

A new relationship

New Zealand's old relationship with Africa was a consequence of four basic factors: political motivations, aid and trade considerations, international role aspirations and South Africa.

Today much of the old thinking still dominates, especially vis a vis Africa. Yet over the past 3 to 5 years the world has changed dramatically. New Zealand itself is in the process of changing albeit less dramatically. There must be a re-assessment of our role in the world. The collapse of many communist states, the rise of ethno-nationalism in Europe and multi-partyism in Africa make the world a more complicated complex place. However, these and other changes give small nations the scope for much greater uni-lateral and co-operative action.

Against a dramatically different international backdrop, the four political factors which were responsible for determining our relationships with Africa are all themselves changing, the most obviously noticeable being South Africa itself. Africa's urgent need for increased development assistance will become more apparent as the decade grows older. This combined with the probable neutralisation of South Africa as an issue in domestic politics plus the moves by many African states towards multi-partyism will help shape new political motivations towards Africa. All of this will help make a new more involved policy toward Africa easier to achieve.

Still, the question will be asked 'why bother'.

By the end of the decade 14% of the World's population will be African. About one third of the members of the United Nations are African. Fifteen members of the Commonwealth are African and Southern Africa is in our part of the world. It is difficult to be effective in multilateral organisations and fora without African support. Everytime New Zealand runs for office for an international agency, we need African support.

Historically our links with Africa have been with white Africa because of our common dominant colonial white settler heritage. However as Aotearoa/New Zealand is emerging more as a Pacific nation we need to reflect this in our

international relations. The cultures of the Pacific are more akin to the cultures of Africa - collective rather than individually based.

Towards 2000

Every journey begins with a single step. We do not expect a new policy relationships with Africa to materialise and be implemented overnight. We see the policy package proposed being progressively implemented over the next eight years. The goal is for the full package to be implemented by the year 2000.

1. Diplomatic relations

The post in Harare has a staff of 3 New Zealanders and is accredited to six other countries (Namibia, Botswana, Mozambique, Zambia, Tanzania and Kenya) The High Commission in London is accredited to Lagos, and the Embassy in Riyadh to Egypt, the Embassy in Paris to Algeria. We have an honorary consul in Mauritius. When the Labour Government established the post in Zimbabwe, it pledged to open a second post on the continent during its second term in office. This never eventuated.

We consider that by the year 2000 New Zealand should have at least four diplomatic posts and possibly one consular post on the continent. The post in Harare should be retained. We believe that it is important that it remain in Harare so that its focus is Southern Africa, rather than South Africa. (In June the Office of the Minister of Foreign Affairs confirmed that the Harare post would not be relocated). If need be, and at an appropriate time a consular post could be opened in South Africa. New Diplomatic posts should be established in Nairobi, Lagos and Cairo.

Nairobi is a geographically strategically placed international centre. The post there could service East Africa (Tanzania and Uganda) as well as the Horn of Africa. This would take some pressure off the Harare post.

Nigeria is the economic powerhouse of sub-saharan Africa. One in five Africans is Nigerian. This, together with its geographic location make it arguably the next African country in which New Zealand should establish a post.

2. Development Assistance

An urgent and immediate need exists for a substantial increase in the level of New Zealand's official development assistance to Africa.

The 1980s in Africa have been characterised not only by slow G.D.P. growth, but also by:

- * increases in the proportion of Africans living in absolute poverty. At 30% Africa ties with Asia for the highest proportion in the world.
- * rising food insecurity at household and national levels. At the present time with crippling droughts in both Southern Africa and the Horn, 1992 is likely to be worse for Africa than the epic famine years of 1984-85.
- * decreasing opportunities for employment or self-employment
- * accelerating ecological damage
- * highest under five mortality rates and lowest life expectancy rates in the world.

According to the Executive Secretary of the Economic Commission for Africa, Professor Adebayo Adedeji, Africa is the only continent where per capita output has declined consistently, falling from US\$782 in 1980 to US\$641 in 1987. Africa food production per head has also declined by an average of 1% every years for the past 20 years. This is a direct result of lack of agricultural sector financing and the effects of the vagaries of the weather.

Clearly, we believe that levels of development assistance to Africa should increase. We are not necessarily arguing that development assistance to other regions should decrease. We consider that there should be an overall increase in the amount of money New Zealand commits to development assistance. (0.21per cent of G.D.P.)

We also believe that this can be more carefully and effectively targeted. In determining where in Africa development assistance should be provided, CID would welcome the opportunity to discuss with MERT and the Government the range of factors that should be taken into consideration. These factors could include an examination of the following:

1. Impact on Country
 1. Priority for the Poorer/Poorest nations
 2. Priority for poor/poorest areas sectors in country
 3. Priority for work with community groups/NGOs
 4. Priority for countries developing effective environment protection programmes.
 5. Priority for countries suffering from effects of war or national disaster.

2. Impact on New Zealand
 1. Priority for countries that have economic/political links
 2. Priority for historical/cultural/geographical links with New Zealand. representatives on the ground,
 3. Priority for countries where New Zealand already has a presence and where there is good will.

CID is particularly interested in working with MERT and the Government to help develop a development assistance programme that is increasingly focussed at a community /grass roots level. In this context CID would like to help foster a closer relationship between the Government and local New Zealand NGO's currently working at a community level in Africa. New Zealand aid and development agencies are increasingly involved with Africa. In 1990/1 25% of the subsidies given to non government organisations, through the Voluntary Agency Support Scheme (VASS) was to African projects. This was a marked increase on previous years.

We note that in response to major drought and famine relief in Africa the New Zealand Government has made two one off contributions of NZ\$250,000. In 1991 to the Horn of Africa, through the Save the Children Fund and in 1992 to Southern Africa through the United Nations drought relief programme.

3. Trade

The world economy has with brief exceptions, involved itself in ways distinctly unhelpful to Africa. In the 1980's the purchasing power in terms of imports of most major African non-oil exports fell by 50%. Cuts in imports of up to 50% below the levels of the late 1970's have been recorded in some countries. Terms of trade declines over 1986-90 reduced import capacity more than net resource transfers raised it.

We welcome the recent moves by the Dairy Board to develop a market in Southern Africa. The June 1992, African Business reported that the New Zealand Dairy Board have decided to establish a liaison office in Johannesburg. The target is not South Africa. it is Malawi, Angola, Zambia, Mozambique, and Botswana.

CID would like to suggest that the Export Survey Mission to South Africa broaden its brief to look at trading possibilities in Southern Africa. We appreciate that companies may wish to base themselves in South Africa, because it has better infrastructures (communications, transport etc.) than many of its neighbours, but like the Dairy Board, other companies may find that South Africa is fairly self sufficient in the products New Zealand has to offer. There may, however, be potential markets in other Southern African countries.

But, it must be remembered that an export based development strategy has not worked and will not work for Africa as the value of African commodities has consistently declined on the world markets. African economies must be re-oriented to meet the needs of Africa's people. New Zealand traders should work within the confines of such a strategy rather than lead African states into greater debt and dependency.

4. African issues

New Zealand should support positive United Nations initiatives on African questions. These include debt, drought and HIV Aids. For the purposes of this paper we will focus on debt.

According to the NGO position paper for the final review of the United Nations Programme of Action for African Economic Recovery and Development (UNPAAERD)

Africa's problems range from economic, social and political to environmental problems. They are a direct manifestation of high level of debt, which was precipitated by the decline in Africa's terms of trade with the rest of the world, volatile movements of interest rates, protectionists measures imposed by the developed countries on Africa's exports and rescheduling of Africa's debt at non-concessional rates.

There is an urgent need for immediate measures to be taken to cancel Africa's outstanding debt.

The report noted that:

Economic hardship is directly linked to the unresolved issue of African debt. Official bilateral debt would be written off by those donor countries which have not already done so. The recent cancellation by the USA of Egypt's \$7 billion military debt and the treatment of Poland's debt by the OCED governments to be credible of their expressions of concern and support for development in Africa, they must make irrevocable commitments to cancel Africa's debt.

Multilateral debt must likewise be cancelled; it is a scandal that through the life of UNPAAERD the IMF has taken more money out of Africa than it has put in, yet it continues to have a major role in determining the economic policies that Africa adopts. The prompt establishment of the European Bank for Reconstruction and Development and recent decisions to amend the Articles of Agreement of the IMF demonstrate that institutional changes can be made. We demand that similar political flexibility and commitment be demonstrated to cancel Africa's multilateral debt.

It is further noted that closely linked to the debt problem are the Structural Adjustment Programmes which are being implemented by 36 sub-saharan African states.

New Zealand should lobby for economic adjustment programmes for Africa being designed in Africa, and respecting the values, needs, culture and aspirations of its people. For example, reduced reliance on external trade and financing; increased self-sufficiency in food; agrarian reform; promotion of entrepreneurial capability; diversification of economic activity; and promotion of greater popular participation in decision-making.

African governments should work with the ECA, OAU, African development institutions and NGOs as well as with multilateral agencies and the international community to determine those policies, for which they are accountable to their citizens.

Structural Adjustment Programmes have become the major, if not sole, expression of economic reform. The U.N.'s own Committee for Development Planning has acknowledged that multilateral institutions are caught between the needs of developing countries and the demands of debt-servicing to international creditors and that the latter tends to take precedence over the former. Furthermore extensive evidence now exists of the negative impact present adjustment programmes are having on the environment, due to the pressure to increase production, and on children women and the poor, due to cuts in government social programmes. There is no development if investment in people, through adequate health and education, is curtailed.

The New Zealand Government has supported some policy initiatives to relieve the debt burdens of severely indebted countries. Along with other Commonwealth Countries we lent our support to the Trinidad and Tobago terms proposed by Mr John Major, then Chancellor of the Exchequer, at the Commonwealth Finance Meeting in 1990. But his proposals concerned only official debt. Official debt is less than 7% of the total external debt which continues to cripple much of Africa. Commercial debt is the real problem.

Conclusion

New Zealand's relationship with Africa has matured. As part of our maturing relationship with Africa, it is important that New Zealand develop relations with African countries, **not** dominated by reactions to and events in South Africa. CID is keen to ensure that once the focus on South Africa goes, the whole continent does not fall off the agenda. It would be a pity if New Zealand's once openly hostile relationship with Africa, was replaced with one of disinterest.

