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**Introduction:**

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Host  
Straight Talk Africa

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## P R O C E E D I N G S

MR. BENNETT: Good morning, everybody. My name is Steve Bennett. I'm the chief operating officer here at the Brookings Institution, and welcome, everyone, to Brookings, to the Faulk Auditorium and to the launch of the Foresight Africa: Top Priorities for the Continent 2015, which is the Africa Growth Initiative's signature document for the beginning of the year.

It is really wonderful to see so many people in an event on Africa in Washington. As all of you I'm sure are Africa hands, and all of you then know what I'm going to say next, which is that Africa doesn't get near enough airtime, attention in Washington, in the United States, and probably around the world. It is unfortunate that the biggest news story in the U.S. last year was the murder trial of Oscar Pistorius, which is -- given the fact that there were so many other things happening in Africa that were so much more important, impactful on a global scale, that is what got on the front pages of the Washington Post, the New York Times, and lots of other news organizations, is really emblematic of part of the challenges with Africa and one of the reasons why the Africa Growth Initiative exists here at Brookings.

The Africa Growth Initiative is dedicated to looking at Africa's economic development and all of the attendant issues that go along with that. And it helps to get at the issue of why Africa isn't -- there isn't as much focus on Africa as there needs to be in Washington, in the U.S., and around the world. The answers to that question you know better than I because -- and certainly, the distinguished panel knows far better than I do -- the answer is perhaps that Africa is too large, it's too diverse, it's too problematic. And the issues that are scary or sexy or otherwise deemed newsworthy are the ones that get on the front pages. And it took an awful long time for the biggest public health crisis in the world to get on the headlines, which is obviously the Ebola crisis. Terrorism, piracy,

these are all important issues, but they're the ones that capture the attention.

What doesn't capture the attention are some of the issues that are put forward in the Foresight Africa book this year. This is -- I believe it's the fourth year that AGI has put out the Foresight Africa document, and what it tries to do is it tries to focus attention on some of the crispest and most important issues that are facing Africa in this year. And so the Foresight Africa 2015 book looks at a number of really, really important issues, from some of the biggest political elections and political transitions, to some of the security challenges that are faced across the continent, to development economics issues, to the Ebola crisis itself. And we're delighted to have the authors here on stage who are far more knowledgeable about these issues than I.

And so the Foresight Africa document is really supposed to be the start of a conversation. And so we're hoping that there will be a nice, vigorous conversation on stage, and then you all will be part of the conversation, hopefully. And as a force amplifier and as a voice amplifier, we'd like to have a lot of -- as much Twitter activity as we possibly can. So we have a hashtag for this event. It's right there. It's #foresightafrica. So please feel free to tweet out your thoughts and your questions. We found that across the world, and particularly across Africa, and up and down "Think Tank Road," that social media is a real voice amplifier and it's a really good thing, and we're hoping that this conversation can be broadcast as widely as possible. I know that many people are watching on a live webcast and that's great, too.

I'd like to particularly note two people on stage before I introduce the moderator. The first is Amadou Sy. He is the director of the Africa Growth Initiative. Amadou is a terrific economist, and we are delighted to have him at the helm. He replaces Mwangi Kimenyi as director, who is a senior fellow at Brookings and contributed to many terrific things, including the development of the Foresight Series a couple of

years ago. So it's terrific that they're on stage.

But on stage also are other scholars from the Africa Growth Initiative. And one scholar who is not in the Africa Growth Initiative but knows a heck of a lot about Africa, and that's Mike O'Hanlon. So over to them in just a moment.

Before I hand over other mic and let people who are smarter and more articulate than I carry on the conversation, I'd like to acknowledge the presence of the Bill and Melinda Gates Foundation here with us today. They have provided really important support for the Africa Growth Initiative. I was there at the creation of the Africa Growth Initiative a bunch of years ago. The idea then and the idea today was that Africa doesn't get enough airtime in Washington, and African think tanks don't get nearly enough platform and don't have nearly enough capacity that they should have. And so the evolving mission of the Africa Growth Initiative is to work with African think tanks, to help them build their capacity, to give them a voice here in Washington, because we believe here at Brookings that a healthy think tank sector is really important to healthy democracies and to democratic growth. And so that was the idea then. It's evolved over time. It's the idea today, and I'm delighted that so many people are here in the room to help us meet that mission.

I'm also delighted that Mr. Shaka Ssali from Voice of America could join us today. He's a distinguished journalist from Voice of America. He's also a distinguished scholar, a Ph.D. in cross-cultural communication and history from UCLA.

So without further ado, let me hand it over to Shaka. Thank you all for being here. Welcome to Brookings, and this is going to be a terrific conversation. I'm really looking forward to it. Thank you very much.

MR. SSALI: Thank you very much, Steve. I have to say first of all, good morning, ladies and gentlemen. As you heard from Steve, my name is Shaka Ssali and

I'm the host of Voice of America's international call-in talk show, known as Trade Talk Africa.

As a matter of fact, yesterday, I had the great opportunity to host two panelists right here. And that was, of course, Dr. Mwangi Kimenyi, and that was also Witney Schneidman. They were terrific. And I look forward, frankly, to interacting with you, and of course, your other three colleagues.

Now, before I go any further, I'd like to say that I'm profoundly honored and exceedingly humbled to have the opportunity to introduce to you five distinguished panelists. The first one is Mwangi S. Kimenyi, who is a senior fellow, Africa Growth Initiative. It's always a pleasure, of course, to have the opportunity to interact with you, Dr. Kimenyi.

The next is Michael O'Hanlon, co-director, Center for 21<sup>st</sup> Century Security and Intelligence. It's a pleasure to have the opportunity to meet you for the first time.

MR. O'HANLON: Likewise.

MR. SSALI: You are also director of Research, Foreign Policy?

MR. O'HANLON: That's right.

MR. SSALI: Well, I need you on my show.

The other one is a very, very interesting gentleman, who, of course, I recall more than 25 years ago breathing the same air at the campus of UCLA. I remember he was being a Ph.D. at USC and we used to, in fact, work on the same African Studies Association Journal, Ofa Ham, Understanding. And his name, Witney Schneidman, a nonresident fellow, Africa Growth Initiative. And of course, Witney previous served under the Bill Clinton administration as deputy assistant secretary for African Affairs. It's a pleasure to have you here again, Witney.

Then we have Vera Songwe. Dr. Vera Songwe, nonresident senior fellow, Africa Growth Initiative. I have to be honest with you, Dr. Songwe, that we missed you very much yesterday. And it's not the first time, by the way, that Straight Talk Africa has been trying to reach out to you. I remember one time Dr. Kimenyi promising to deliver you and you somehow couldn't make it. I hope the next time you have the opportunity to do it.

MS. SONGWE: Promise.

MR. SSALI: Thank you.

And last but not least, the man himself, Amadou Sy, director and senior fellow, Africa Growth Initiative. It's a pleasure to meet you for the first time, Dr. Sy.

Well, I think having said that, let me begin the order of business.

Today, we also want to hear from you what are your priorities for Africa in 2015? And what are your thoughts on our experts' recommendations? We encourage you to join the conversation using via Twitter, using the hashtag #foresight Africa. In addition to conversing via Twitter, we will also be conducting audience polls with people in the room and watching the webcast. I will pose the question and you will have a few minutes to answer while our panelist discusses his or her priority. Then we'll display the results. You can join the polling session by texting Foresight Africa to 22333. Afterwards, you just answer using A, B, C, et cetera. You can join -- I repeat, you can join the polling session by texting Foresight Africa to 22333. Afterwards, you just answer using A, B, C, et cetera. Or you can vote at [polleverywhere.com/foresightafrica](http://polleverywhere.com/foresightafrica).

Now, to get us started, this week AGI posted a blog to ask, what do you think should be a priority for Africa in 2015? These are the results.

We see that peace and security comes in at 25 percent. That is very interesting because I think yesterday on the panel actually that issue also seemed to

have ranked very, very high.

Governors and leadership, 33. That is the top, really. And it probably makes sense because how do you separate peace and security and governance? Are they really mutually exclusive? A lot of people would probably say they are not.

Economic development, trade, and investment weighs in at 17 percent. Health, education, and poverty at 16 percent. Natural resources management and the environment at 3 percent. Gender, youth, and inclusion at 4 percent. Other, 3 percent. Very interesting, isn't it?

Now, I think that I can now go to the first panelist in order, and that will, of course, be Amadou Sy. Amadou, the first question to you, what type of financing is most needed to capitalize development in Africa?

MR. SY: All right. Well, I take this opportunity to thank you and thank also the older panelists and the audience for coming. And also to thank Dr. Kimenyi, who has been the director of the AGI for all these years, and I feel very lucky that he is my neighbor. So thank you for your leadership.

So now, next year, there will be a conference where global leaders will decide about the new sustainable development goals, which will replace the millennium development goals. So, these development goals will need to be financed. For example, now a little bit outdated World Bank Report but that's really the best one we have seen, puts the infrastructure needs of Africa at about \$100 billion per year. Another report says that to reduce extreme poverty, we would need to spend about \$66 billion a year. So the point is that we need to finance the development goals, and African countries have done a lot of effort. For example, government-driven used to GDP average about 21 percent now, up from 18 percent about a decade ago. But that would simply not be enough. So there has been some thinking about this financing for development, and before the

meeting on the sustainable development goals, there will be a meeting on financing for development in Addis Ababa in July. And one framework that is being used is to separate financing from its sources, so external financing versus domestic financing, private financing versus public financing.

So far, two key questions are being asked. One is how do we get more financing -- how to increase the financing revenues, the flows; and the second question is how do we get better financing.

So what do we do with that? First of all, when it comes to more financing, Africa has really got more external financing. Over the past 20 years, for example, foreign direct investment has been multiplied 30 times, 30, 30 times. So we've been receiving much more private capital. When it comes to aid, unfortunately, the promises of Glen Eagles have not been really fulfilled, so aid is on a downward trend. But when it comes to private capital flows and remittances, they are definitely on an upward trend. Remittances in my own country, Senegal, are about 10 percent of GDP, and these are the formal remittances. There's a lot of informal remittances going on. Nigeria also, about 10 percent; Lesotho, much more, I think 14 percent.

So money is coming in, so that's one thing. But we have to be careful. For example, money is coming in but it's going to a very few sectors. It's going a lot to the natural resource sector. Even the tax revenues to GDP that have improved have improved also thanks to this global commodity boom and the revenues that countries have managed to get from higher commodity prices. Domestic capital markets are still in Africa, except from countries like South Africa and increasingly Kenya are still small. So there's work to do there when it comes to more financing, definitely. And we all know that our governments can do a better job when it comes to fiscal revenues and public fiscal management.



So how about the better finance? Typically, the thinking is about, well, let's avoid the financing flows that are too volatile; right? Typically, the hot money. Let's try to attract the long-term type of money, the committed money from direct investment. So we've attracted both; right? Before 2006, almost -- only South Africa was able to issue Eurobonds in the international markets. Now, many more countries have issued -- in fact, since 2006, \$15 billion of Eurobonds have been issued by African countries. But I think just looking at the volatility of flows as a measure of the quality of finance is a bit limited. How about the following question -- how does the money really benefit development? How does the money really lead to increasing jobs? So there is where we really have to do a better job.

I've just read a World Bank report, for example, that really asks these questions and links it to the global value change. So apparently, when it comes, for example, to the apparel sector, you can get more money in the apparel sector, more foreign direct investment in the apparel sector, but those firms will not source locally; right? At the other extreme, when you get investment in agribusiness, by nature, they will source more locally. Mining is somewhere in the middle. So how can the money that we get really lead to better -- to Africa fulfilling its development objectivity is a key question, you know? How does Africa insert itself to this global value chain? It even has to do with understanding why this global bias, like Wal-Mart, the Gap, really are interested in because you want to be in the global value chain.

MR. SSALI: Well, Amadou, unfortunately, time happens not to be our best ally. I hope you understand.

The polls are now closed. Let's see what the audience is saying, or participants are saying. Of course, the question was, what type of financing is most needed to capitalize development in Africa? And the first category was international aid.

It weighed in at 9 percent; remittances at 4 percent; FDI/capital flows, 52 percent, my friend; and government revenues, 16 percent; all of the above, 20 percent. Interesting.

I suppose now we can go to the second panelist, the man from foreign policy, Mike O'Hanlon, of course. The question is, will Africa see increased peace and security in 2015? A is yes, B is no, and C is maybe.

MR. O'HANLON: Well, I look forward to the answer which I'm going to count on all of you to provide.

To just sort of spur the conversation a little, as I try to think about this -- and I don't have an answer, so I'm glad you will -- but I try to break the problem down, first, by category of violence, and then by region. So let me just give a very quick snapshot on each of those ways of breaking down the problem.

First of all, and I want to thank Amy Copley who has helped me with and co-authored my article in the Foresight Magazine, and congratulations to Africa Growth Initiative for all your efforts, including that, and thanks for the chance to be part of this today.

But as I try to break down the violence, I can think in terms of three categories -- terrorism, civil war, and crime. And as Steve Bennett alluded to earlier, and as we all know, certain kinds of issues get more publicity in the Western press; they aren't necessarily the most important for Africa. But all three, unfortunately, are relevant to Africa's situation, and I would simply submit that on balance, the terrorism trends are not good, and that's not a categorical statement, and I'll break it down by region in just a second. But overall, I think Boca Haram is Exhibit A on why we have to worry, but it's not the only threat.

In terms of civil war, it's more of a mixed picture, and we do see some progress in a couple of places that, again, I will get to in just a second as I break things

down by region. But unfortunately, we've seen some backsliding or failure to take the next step in places like Sudan. And then, of course, the terrorism, ethnic, and sectarian tension issue, combined with presidential issues, makes Nigeria prone to potential civil warfare, and it's hard to know exactly how to define these terms sometimes or where terrorism stops and civil warfare and insurgency begins. But having said that, I think the verdict on overall state of civil war in Africa is mixed. I would say things are a little better in this decade than they have often been in previous decades. But if you're asking me to predict 2015 versus 2014, 2013, I think it's a little more ambiguous.

And then finally, on crime, unfortunately, this is the issue we don't talk about enough, and African governments need help strengthening their internal ability to control crime, because we know that it's the silent scourge in much of Africa, and it's not so silent if you're an African citizen. People are well aware in places like South Africa, but many other countries of the degree to which this overlaps with economic problems and degree to which lack of economic opportunity, underdevelopment, poor education, sense of estrangement and disenfranchisement reinforce problems with crime, and then weak states often have a problem controlling crime.

So there are some countries in Africa that have exorbitantly high crime rates, and to me, I'm not sure what the trend line would be. It's probably gradual progress because on balance, Africa is doing gradually better in economic and developmental, and governance terms, I would argue, in the broadest sense, really based on the readings of my colleagues' work and other work that I try to understand. But that's a gradual trend line. And unfortunately, I don't think we're doing enough. You'd like to see the progress happen a lot faster because a lot of people are getting robbed, raped, and killed while we hope for this, and wait for this gradual progress to do enough for the country.

So now very quickly, regionally. I would say on balance, despite the tragedies in Kenya, the Horn of Africa is a little better because Somalia, ironically, is one of the few good news stories in the last year in terms of security trends in Africa. And I'm going to be quick and simplistic, and you can have a lot to say by way of the discussion later about challenging me or at least adding nuance. But I would say on balance, the Horn of Africa is a little better and will probably keep getting a little better.

The center part of Northern Africa, however, especially around Sudan, doesn't look as promising as we had hoped. And probably if we had had the same question a year ago or two years ago, maybe there were some hopeful trends that we were starting to get a little bit enthusiastic about. Some of those underlying reasons for hopefulness are still there, but unfortunately, Sudan has been a disappointment, both in terms of the Darfur and other issues in Sudan Proper, and also because of the problems in South Sudan. And that's such a big country and so important and it has spillover effects on other conflicts, that that makes me a little less optimistic.

West Africa, in terms of big trends, it's about Nigeria. There are a lot of countries that have had a lot of issues that still do. Obviously, Ebola has hit further west, but if you want to categorize West Africa or the western half of Africa, in a nutshell, it's all about Nigeria because this is overwhelmingly the giant of West Africa. And with the presidential elections coming up, we really have to keep an eye on that. I'm worried. I'm worried about Nigeria probably more than I would have been a year or two ago. So there I'm not so hopeful.

My LP score country of Congo, a year ago, two years ago it was starting to show a little bit of signs of hope. Still better than it had been for most of the last however many decades you want to talk about, but unfortunately, we haven't really seen the next step taken at expanding better stability and safety in the east of the country, and

I think the central government in Kinshasa is still weak and not necessarily distinguishing itself as a legitimate and truly unifying force in the country. So I'm going to give Congo a little bit of a slight downward trend line in my prognostication, even though things are still better than they had been.

And finally, Southern Africa, writ large, again, I think here the good news is there's not a lot of civil warfare and there's not a lot of terrorism, but unfortunately, there's still plenty of crime and it's a very gradual trend line. So there it's a slight upward trend but it's slow and I wish it could be faster and more impressive.

Okay. Now I look forward to the bottom-line result in that assessment from all of you.

MR. SSALI: Thank you very much, Michael. In fact, I was going to ask you the question when you said "your country of Congo," I was going to ask you which Congo are we talking about here? But you mentioned, of course, Kinshasa, so I got it.

MR. O'HANLON: The Democratic Republic of Congo. Thank you.  
Thank you.

MR. SSALI: Well, the poll, of course, is closed, and let's look at the results.

Well, the question, of course, was will Africa see increased peace and security in 2015? Very interesting. Yes is 22 percent; no is 55 percent; and maybe, 23 percent. What does that say? What does that mean?

MR. O'HANLON: Well, I think the negative and worrisome trend lines in Nigeria and Sudan trump the slight improvement in Congo. The fact that I haven't even mentioned Ethiopia, which is the second most populous country in the continent, because it's a relatively good news story, but unfortunately, the negative trend lines in Nigeria and Sudan, and the slow progress in places like Congo, are trumping other, more promising

hopeful signs here and there. And the net assessment I really cannot disagree with.

MR. SSALI: But when you look at the Democratic Republic of the Congo, which of course has had several names before -- before that it was Zaire and then it was Congo and (inaudible) Congo, whatever -- it is arguably one of the richest, one of the wealthiest nations on this planet to us. Why has it never experienced some semblance of peace and stability? There are people who, of course, used to say that when Mobutu Sese Seko Wa Za Banga was in power for 32 years, that he was a symbol of peace and stability. Is that something you'd agree with?

MR. O'HANLON: Well, I think the short answer is the Belgians did a terrible job of preparing the Zaire Wa for independence, and Mobutu did a terrible job of preparing them for anything, including the succession to his own rule.

I was in Congo from '82 to '84. That was the period when Zaire Wa -- and there may be some in the room, so I apologize if I'm mischaracterizing and trying to generalize -- that was the period where any sort of positive sentiment towards Mobutu for at least stopping the civil wars of the '60s, the positive sentiment was slipping away because the corruption and mismanagement were becoming so entrenched and so blatant, the Congo at that point was well into its economic decline, which then meant decline in the ability of the state to provide services. So the early '80s were sort of a semi-tranquil period in terms of apparent stability on the surface of the country, but it was -- the country was eroding from within, and we all saw what happened over the next decade, producing one of the worst civil wars of the late 20<sup>th</sup> century by the end of that period of time. So it's lack of governance.

I have to go back to the first answer of Amadou's questions. You know, the lack of good governance and leadership prevents anything else positive from happening.

MR. SSALI: Thank you very much, Michael.

Let me go to my sister, Vera Songwe. Vera rate the national and international response to the Ebola crisis, if you can, please.

MS. SONGWE: Thank you. Good morning. And I want to start by congratulating Amadou again for taking over the helm of the AGI and Mwangi for all the work he did before.

I think to begin with, the national and international crisis on Ebola are probably different, so I will be interested in seeing how the responses come back. I believe that at the national level there was a lot that was done. And going back to the first question on leadership, in countries where we saw the Ebola virus quickly contained, we've got a lot of leadership. One of the things that happened in Senegal with President Macky Sall and the Minister of Health, Awa Marie Coll-Seck, was quickly taking control of the issue and managing it quite appropriately. The same thing in Nigeria. I think because of very good leadership and communication, one got a sense that very quickly Nigeria could have been, I think, a disaster waiting to happen, and with good leadership and communication at the national level, and especially the use of national resources, the Ebola crisis was well managed. Where we didn't have quick coordination and communication, you had a slightly different response to the crisis. I think in countries -- and just to go back on the timeline of the Ebola crisis, it actually started in 2013, September 2013. It became a big crisis January 2014, and I think began to peak when we started seeing the numbers go up. Today, we have 20,000 affected; 8,000 dead; and 8,600 and more as of last week at least deaths from the Ebola crisis.

From the international perspective, there are two things that were happening. I think the first was the slowness to respond. The slowness to respond could be attributed to two things. I think, first of all, we should remember that countries like

Uganda and DRC have been dealing with occasional spurts of the Ebola crisis that they have been containing, so every so often there will be three or four cases here and there or 10 cases here and there, and my sense was there was some sense that this may be what would happen again from the WHO. So the immediate response to the Ebola crisis didn't happen. However, this time around it happened in Guinea. It happened in the rural community areas where there was not a sense of the education that the Ugandans had spent over 10 years now communicating and educating the populations in health and sanitation issues, which made sure that when there was an Ebola outbreak, you could actually quickly contain it.

So I think on the national side, leadership, governance, good communication. I think for the first time again, on the national side, we saw a private sector response and a civil society response, which was amazing. In countries like Senegal, NGOs get together and start getting apps on different -- developing different apps in local languages to start communicating about how you can prevent Ebola and what you can and cannot do. The same thing in Nigeria. In Cote d'Ivoire as well.

So I think at the national level, a second interesting thing that happened was the response of the African private sector. I think this is one of the first crises where we got a very quick and urgent response from the African private sector and foreign investors in Africa. I think, for example, in Liberia, we got very quickly the top 12 investors in Liberia get together and begin to manage the logistics, because with the Ebola crisis, one of the first things that happened was a breakdown in the logistics framework. These are countries -- Guinea, Sierra Leone, and Liberia -- that import most of their food, particularly the staple food, rice. And so basically, what one wanted to do was begin to ensure that there were still some supply chain logistics in place. So we had the mining countries get together and begin to do that logistics management system.



And I think this is one of the first cases where, again, I think the responses in terms of the private sector and capital flows into Africa begin to link up. We see logistics working. We see private sector working. We see ICT information working. So at that national level, I think things work quite well.

At the international level, I think there are two issues. One of them is who was going to be the first respondent? What was the coordinating mechanism? I think this is where the international response was maybe slow to act. You have one set of institutions at WHO, which is a repository from the technical and medical protocol side on how to respond. And then you have institutions like the World Bank and the IMF that respond from the financial side. Today, the fiscal gap for the Ebola crisis is about 290 million. It's about 5 percent of Liberia's GDP. It takes money in Senegal where the Senegalese government only had one case, it cost a million dollars to manage that one case. In Nigeria, it cost \$13.5 million to manage the eight cases that they had and to follow up on the other cases. So it's quite an expensive proposition for countries that have a GDP total of about \$2 billion or less.

And so I think one of the reactions, one of the reasons why the international community was slow to respond was the need for resources. How do you collect those resources? There is no international emergency response resource institution. In the U.S., for example, today, and we're very grateful, we have about \$4.5 billion which has been approved by the United States crisis to fight Ebola. This still, I think, has to go through the appropriation process and all of that. In the meantime, the different countries have to continue fighting the spread of Ebola. The good news today as we speak is that we see a clear downward fluctuation trend for the Ebola crisis, both in Liberia and Guinea. In Sierra Leone there is more stability.

But I think the second issue on the international front was the

coordination, first, on the African continent, and we saw two reactions. One of them was a closing of the borders. And I think to some extent it was justified. If you are a poor African who does not know how to handle it, then the easiest way is to close your borders, at least in the short term, to understand what you need to do. But in the long run, most countries open their borders, which is the right thing to do. We see today that one of the reasons why you can quickly contain the disease is because the borders are open and we can check the movements back and forth, and it continues to make economic activity viable despite, I think, the serious hit that one has had with the Ebola virus. So my sense is at the national level we got a very good response, good strong leadership from Liberia. I think the president herself was out working and looking at what was going on. The coordination processes, the private sector, the communities. The communities both at the health level that came together and began to work. We got an important response from ECOWAS, the regional bodies. I think two or three weeks into the height of the problems, we got ECOWAS called all the health ministers together and began to understand that you needed more human capacity. First of all, it needed to be solved at that level. So you got wonderful responses at that level.

At the international level, the coordination was slow to come, but when it came, you had institutions like the IMF that came out quite strongly, talking about the use and the need for more fiscal space so that countries could quickly react. You had the World Bank which put out immediately about \$4 million and now up to a billion dollars to help respond to the crisis. The U.S. Government, I just said, the U.K., and I think the international community all together across the board in different countries -- the French, the Dutch, all came out now, and I think there is now a concerted, coordinated effort around that.

MR. SSALI: But Vera, what about some critics who have been pointing

fingers at the World Health Organizational regional office in Brazzaville, frankly, dropping the ball, almost certainly missing in action?

MS. SONGWE: My sense is I think, again, like I said, there are two competing tensions. One was the fact that you've had repeated cases of Ebola on the continent. And so the idea that Ebola was coming again and that you had the first five, 10, 15 cases, was not spectacular. It was nothing, I think, that needed quick attention. And so there was that sort of slowness agreeably, and I think WHO acknowledges this in communicating the issue. I think more importantly was also the quick management of the Guinean population and where it originated in a densely populated area, which then spread the disease. But I think, again, the coordination, like I said, you have the technical capacity within WHO, the financial capacity in other international bodies, and then the national coordinating systems. And you needed those three to come together. So I think I will find it will be hard-pressed to point the finger at one organization in terms of how effective the response was, and one needs a more immediate and coordinated response system for it to work.

MR. SSALI: You are terrific diplomat, Vera.

The poll is closed. Let's see what the audience's reaction is.

Well, of course, as you know, the question was (inaudible).

MS. SONGWE: (off mic)

MR. SSALI: Adequate, 27; inadequate, 58. Really? Negligent, 7 percent. It could probably have been higher. But I think you made a point about the leadership provided, especially by both Liberia, I think, and Sierra Leone presidents, because they even actually skipped the almighty U.S.-Africa Leaders Summit in August to pay attention to what was going on back at home.

Any reaction?

MS. SONGWE: Yes. I think inadequate may be a little bit too severe for those who are on the front lines of fighting the disease. I think when we think of the nurses and the health workers who are going there -- and this is why I want to insist on the difference between the national and the international. I think a lot of the health ministers in the continent worked day-in and day-out. Last night, the reason I couldn't join the talk is because I was flying from Senegal to Washington, D.C., for this morning, but we had about seven or eight health ministers on the continent talking about this last night for two hours and the kind of response that is needed and the continued vigilance that you need. You have countries that are sending more people within the continent. I think ECHO has 328 people that are going to the affected countries. So my sense is that maybe the audience is a little bit severe. And if you think about the fact that, you know, during the Christmas period, and in Senegal, we had one of the biggest religious festivals that brings about four million people, and we were able to make sure that there were no new cases that spread on the continent giving our porous borders. My sense is that there is a lot of work going on in the continent to contain it and make sure that we don't have it spread as much as it had initially.

MR. SSALI: There's a gentleman from the Democratic Republic of the Congo, who happens to be one of the co-founders -- co-discovers, rather, of Ebola with Peter Piot, the Belgium doctor, who now heads the School of Hygiene in London. He was on my panel several weeks ago, and his name is Dr. Malanga Miatudla. I'm sure you're probably aware of him because he works for the World Bank as well. He would seem to agree with, for example, the percentage as far as inadequacy, and probably he would weigh more heavily on negligence because he said that, you know, he is not afraid to say it the way it is. He obviously had enormous experience, having been one of the co-discovers of Ebola back in 1976, and they worked on these issues in DRC, in Uganda

as you said, in Sudan, and it didn't really become as bad as it has eventually turned out in West Africa. But anyway, that is his opinion.

Let's go to the next distinguished panelist, and that is Mwangi Kimenyi, the man from Kenya. Mwangi, it's a pleasure always to really meet you, and I'm glad that we meet again. And the question is the report card. How is the African Union doing? A, terrific; B, oh, my God; C, average; D, mediocre; F, terrible. Is this a fair evaluation?

MR. KIMENYI: So I'll wait to see, also, as Michael, I want to hear what the audience says. And first of all, let me acknowledge my friendship to the African Union. A number of the colleagues are here, and we work together. It's one of our collaborating partners, so whatever I may have written, notwithstanding it's been a very important institution.

MR. SSALI: You don't want to annoy Elasis Muenchel.

MR. KIMENYI: They're all my friends. But, you know, sometimes if you have a child, you usually have to say some things to correct. So it is that spirit that I was writing.

I think my colleagues here have talked about a lot of issues going on, and when I listened to Vera, for example, she mentioned one coordination a number of times. And the way I see the African Union is first of all to say this is a very important institution. You have about all these many, many countries, 54 countries with membership, and what you need to realize is that, first of all, they have a lot of common interests, but individually, they are actually, you know, very small. They really do not have a lot of muscle.

Just to give you an example, in terms of economics, although we talk about the Africa (inaudible) story, if you take all the East African countries, which are doing very well, if you look at their total income, GDP, it's less than arrow A, metropolitan

area. And you've got two other countries. I think Uganda is more than Lansing, Michigan, in terms of economy. So individually, you're not going to be able to influence outcomes. Even investing, for example, you know, you're not going to move all the way from Australia to go and invest in a country because its economy is interesting. You know, so that's one issue.

I think the other one is that if you think about global, what we talk about a global voice, individual countries have very little impact. When you think about the U.N. or the institutions like the Bank, or the IMF, Africa has a very tiny, low in terms -- a very small voice globally. It doesn't influence global outcomes.

Now, and this tells us that we need to think about working together as a continent, having an institution that can represent all the countries. So you need a unified institution. And then when you think about these tiny economies, the (inaudible) for economic growth for Africa is original integration model where you need to act together as a continent and all these economies are acting together. So when you're going to invest, you're going to invest in East Africa or in South Africa, you have access to other markets. So regional integration is the model. But you need coordination with all these. You need a coordination body.

Now, Michael talked about the issue of security. If you think about all these security issues, although they are country-specific in some cases, many of them are regional or continental, and you need some coordination body. So that's why an institution like the African Union becomes important. And finally, when you think about even the kiss of Ebola, and Vera mentioned about coordination out of time, there are a lot of spillovers that you can't deal with this on its own. So for me, and the reason why I'm really very interested in the African Union is because I think it's a very important institution that is part of the African development. And as I said, this institution has been

growing, started as an organization (inaudible) in 1963 and now we are 50 years past.

So it's had time to mature. And if you evaluate all that, you find a lot of issues.

First of all, let me say there are very good success stories. The regional integration agenda is moving forward well, and AU is coordinating that, which is positive. The AU is also coordinating regional integration at the local level to some extent. There have been some success studies, I mean, success cases, you know, even when it comes to governance here and there, not always. So generally, I don't want to say that this is a blank failure. What we need to do for an imagined continent is that we do need to reform the AU, and there are many failures. And I can give you a few examples.

One is slow to act, like in the case of Ebola. Many of us would have expected that AU would be the first one to call a summit on Ebola immediately; not other countries but AU. And then to all the other countries we need resources. Central Africa Republic. We've got the French coming all the way to come and peace keep -- keep peace in Central African Republic where people are killing each other and the African Union is quiet. And there are many cases like that. So to me, I would say, we need to be more productive. And I think Michael may have proposed the issue of studying them. He proposed studying the issues (inaudible). So there have been other cases where we find that the leadership of the AU itself is not functional.

I was talking to Shaka yesterday on his program, and I was telling him, you know, we still have a system where, you know, if you oppose democracy, you are Idi Amin, you can still be the head of the African Union because it's rotational, so long as you are a man. But you are not going to advance democratic principles when you are not advancing democratic principles at your own country level.

And the other issues. I talk about facilitating AU in terms of additional finance, more power to the secretariat, and so on. And so in my evaluation, I start by

saying AU is a very prominent position. I would like to see it succeed. But looking at all these challenges, looking at all these security issues, I would say that -- and I am also a vested professor, so I will give a C. Thank you.

MR. SSALI: Thank you very much. That's kind of like adequate, isn't it?

The polls have closed. Let's see the audience's reaction. You got it.

Report card. Very interesting, A is 3 percent; B is 15 percent; C is 35 -- that's the highest; D is 34; and E is 13. Very interesting. Would you like to react to that?

MR. KIMENYI: Well, okay, so I agree -- so the C seems to be working. I think D may be a bit harsh. But I hope nobody was really influenced by my own write-up, which was -- but I think -- but I think people grading like this also are saying we want to see the AU do more.

MR. SSALI: What about when you look at the structure really, the money in which, for example, that institution comes together, countries which qualify, there seems to be absolutely no benchmark to be met other than being an independent African country, without meeting whether it's a some good governance criteria, whether it is democracy, whatever you want to call it. You can be a member. You don't have to meet anything, really. Would that be a hindrance?

MR. KIMENYI: Well, the AU was, I mean, I guess more the westerns used to call it the "club of dictators."

MR. SSALI: What has changed?

MR. KIMENYI: And if you look at the AU today, I think we have several democratic leaders, but we also have a lot of people who are actually anti-democratic reforms. They are the ones who keep changing the terms in office, but they can become head of the AU. And although AU, one of the charges is to advance democratic principles, if you -- well, I don't want to mention any of these people -- but if you



(inaudible) it means when you go to sit in the AU (inaudible) and this topic comes up, you're probably going to tell them, you know, let's move on to the next thing. So, not much has changed. I believe that was your question.

MR. SSALI: You talked about Idi Amin, who happens to of course have been not only my ex-president, but also my commander in chief because I used to be a paratrooper.

What about recently? You heard the president of Equatorial Guinea, Teodoro Obiang as the chairman of the African Union, and you have a very interesting story here because he goes to the Ugandan capital, Kampala, and he's awarded an important prize by Ugandan president Yoweri Museveni, in his words, not mine, for promoting democracy on the African continent. Let me not comment directly, but he was the head. Before, that was Khadafy was the head, but he was also financing AU to a large extent, so he was attractive to AU, so we tolerated him. But I would say, I mean, think about even, okay, Gambia is there and you have issues in all these countries. So I think what I propose in the piece is that if you're to head the AU, the principles that they want to advance, you should be following them in your own country. And the next head of the AU president is likely not (inaudible).

MR. SSALI: Interesting. Thank you so much, Mwangi Kimenyi.

Let me go to my old buddy, Dr. Schneidman. Dr. Schneidman, the question is I know that you wrote very well on Obama's possible legacy for Africa. Has President Obama fulfilled his potential in harnessing the U.S.-Africa relations?

MR. SCHNEIDMAN: So, I'm ready to get horribly outvoted here.

MR. SSALI: (Inaudible), of course, yes, just like the AU; no; TBD to be determined.

MR. SCHNEIDMAN: Well, let me just say, first of all, thank you to my

colleagues. Amadou, congratulations on taking over. It's just a great group to be with, and I think it's great to be part of Foresight this year.

If I have to answer the question, I think it's, as I say in my piece, Obama's legacy is still very much a work in progress. I think he got off to a slow start the first four years. He raised expectations quite significantly by going to Ghana within his first six months to address the parliament there, and never has a U.S. president gone to Africa as soon as that in their term, but that was sort of it for the next four years. And I think it is somewhat understandable given the economic crisis that he had to deal with here in the United States, the effort to extract the U.S. from wars in Iraq and Afghanistan, and just the political heat he was feeling from his opposition, many of whom wanted to portray him not as president of the United States but as president of Africa. So he sort of, you know, stayed away from the issues for many of those reasons. But in 2012, the White House came forward with, I think, a clear strategy document that outlined four priority areas and laid the groundwork for the president's trip to Africa in 2013 where he went to South Africa, Tanzania, and Senegal. And a number of initiatives sort of came out of that trip that I think are quite important. One was Power Africa, where the administration has committed to increasing the accessibility to a reliable source of electricity to some now 60 million houses and businesses. He launched Trade Africa, which is focused on bringing the East African community into a more formal trading relationship with the United States. He launched the Young Africa Leaders Initiative, which is probably the most exciting initiative that's focused on really engaging Africa's next generation of leaders. And when the administration went to put the application online for the 500 now Mandela fellows to come in the first class last year, the response was overwhelming. They got 50,000 applications, and some 30,000 others started but didn't complete. So it just shows that I think the administration has tapped into something

very important.

And then in 2009, at the first G8 meeting that Obama went to, he launched "Feed the Future," which is an agricultural initiative, and really brought the whole agriculture sector back into the dialogue between the U.S. and Africa, both from an economic point of view. But I think one of the dynamics that all these four initiatives share is that the private sector has been there from the beginning. So no longer are we sort of treating Africa as the strange market that you might want to invest in; it's now seen as something that many U.S. companies are understanding that there's a lot of opportunity and it's how do we capture that opportunity? And I think the administration has done a good job of working with the U.S. private sector to put this issue at the forefront. And I think that was clearly the message to come out of the significant African Leaders Summit that was held last year in August. AGI played a role. We had a day-long seminar that was really quite great, but there are so many different events going on, and it was really a week of just unprecedented activity. And some 50 heads of states and delegations came to the United States and the formal summit was preceded by a daylong Africa business forum. And then during the summit itself, trade and investment was one of the key issues. So I think this administration gets really good marks on putting trade and investment at the forefront.

But the work in progress is still quite significant. And just let me tick of a couple of issues. As much as they've done for putting trade and investment at the forefront, the African Growth and Opportunity Act, which is the cornerstone of the U.S.-African commercial relationship is set to expire on September 30<sup>th</sup> of this year. In congressional times, that's like this afternoon. So if the administration really doesn't come through to extend that, that would really be a big setback for the U.S.-African commercial engagement.

Related to that is, you know, the African market, there's a lot of competition. It's not just India. It's not just Brazil. It's not just China. In fact, I think the European Union is our strongest competitor. And I say that because they have now -- what word should I use without offending too many people -- coerced, compelled, jostled, 33 African countries to sign an Economic Partnership Agreement. Well, these EPAs will put U.S. companies at serious commercial disadvantage once they come into force. And if you look at the Free Trade Agreement that the EU has with South Africa, that's already putting U.S. companies at a serious disadvantage. You go to the 2014 national trade estimates that USTR puts out every year and there's a whole laundry list of complaints from U.S. companies who are disadvantaged in certain sectors. Ten years from now, that's going to be replicated throughout the African continent. This administration has to deal with that. I would argue they have to deal with that in the context of the Free Trade Agreement they're negotiating with the EU, and so far they've been silent.

I think another critical area that Obama has to deal with is the security issue. We have -- for all the good that the Bush administration did in Africa, and it was considerable, one of the pieces I would argue they got wrong was the roll out of AFRICOMM; the fact that it was just sort of "we're doing this, here it is." They didn't take the time to really engage at the head of state level. They didn't engage at the minister of defense level. And as a result, this very important initiative was very poorly understood.

So today, I think the Obama administration missed a great opportunity at the African Leaders Summit not to have a really serious dialogue on security at the head of state level, at the minister of defense level, and a regional level. And I think that needs to be done so we can address a number of these issues that Michael was referring to in a holistic manner and really understand what the partnership is all about.

And finally, it's the issue of follow-up to the African Leaders Summit. You

know, it was great to have this meeting. It was great that all these initiatives were launched, but what happens next and how do we finish this off? So I guess that leads me at TBD.

MR. SSALI: Thank you very much, Witney.

The polls, of course, are closed, and let's see whether the audience agrees with you.

Yes, 11; no, 57; and to be decided, 31 percent.

Your reaction?

MR. SCHNEIDMAN: Well, I mean, as a short declarative statement, I don't disagree. No, he hasn't done it, but I think he still has two years in which to do it. And I think if those four initiatives -- Feed the Future, YAWLI, Power Africa, and Trade Africa really fulfill their objectives, if he can address the security issue, I mean, with Nigeria at the forefront -- in December, Nigeria said they didn't want U.S. support for the crisis in Northern Nigeria with Boko Haram. I mean, that's incomprehensible that we should have that kind of misunderstanding, falling out with a partner as significant as Nigeria is.

So if he can get those aspects right, if he can fulfill, you know, see the initiatives to their objectives, really make progress on the security front, perhaps address the AU and have an African Leadership meeting on the continent where we can bring many stakeholders together, I'm hopeful that no will actually change to yes.

MR. SSALI: Thank you. Thank you very much.

The next business that we'll have to deal with now is to go to the audience, the live audience right here, and find out what some of them think. You know, ask a couple of questions. I would appreciate if you could -- once you ask your question, be as brief as humanly possible, be specific, and tell us who you would like to -- among

the panel, who you would like to answer the question.

Ladies first. Let's go to the lady. Tell us your name and your institutional affiliation, please.

MS. NIBA: My name is Jacqueline Niba, and I am a research associate for the Public International Law and Policy Group.

My question goes to -- any member of the audience can -- no, the panel can answer it. What impact would the BRICS Institution have on the continent?

MR. SSALI: BRICS? Do you mean Brazil, Russia, India, China, and South Africa? I see. Okay, that's one. BRICS.

The second question, let's be democratic. Let's go to the gentleman there.

MR. ZANGAI: To summarize my question -- I'm Levi Zangai, president of the Grand Bassa Community College in Liberia.

You know, we're suffering with Ebola just as Sierra Leone and Guinea, but my question has to do with the impact on African development by China. You read all the journals. You see the good and the bad on Chinese involvement in Africa -- what is labor practice, infrastructure development, U.N. peacekeeping mission -- they are all involved. Even my colleague from Ethiopia should assess why the Chinese are building the AU headquarters in spite of all the African oil producing country. So what is the impact? What is the China effect on Africa -- negative, positive? And nobody spoke to that issue. I think it's very important.

MR. SSALI: Thank you. Thank you very much.

Let's go to that lady. Just next to you, please.

MS. REHARD: Hi, my name is Emma Rehard, and I am a master's student in the Georgetown Conflict Resolution Program. My question, I think, is mostly

for Mr. O'Hanlon, and that's how do you think African governments will balance inclusive governance and the need to end civil wars, along with French, EU, U.S. counterterrorism assistance and engagement, especially thinking about countries like Chad that we know play a destabilizing role in regional peace and security relations?

MR. SSALI: Thank you. Let's go to the first question, the question about the BRICS. Perhaps, Dr. Sy, would you like to address that?

MR. SY: Yes, sure. I'll just try very briefly. And I put the question on China with the question on the BRICS.

From an economic perspective, I think they are very interesting trends coming up. When it comes to trade, China is now the largest trade partner in Africa. And when it comes to investment, if you look at the growth. I mean, when you look at the stock of foreign direct investment, it is not the most important. When you look at the growth, that's really where the action is. So it's a growing role, and sometimes a leadership role when it comes to trade.

Now, I think one issue in terms of policy is to come to a constructive engagement of China. From the African perspective, it's really to see China -- to look at the role of China and contrast it with the development objectives that Africa has. Let me give you an example. When it comes to infrastructure, for example, the private sector in Africa has single-handedly financed the ITC sector. All right? But when you look at transport, no other foreign partner is touching it except China. So when it comes to energy, everybody wants to do energy, including China. So I think, you know, both from the domestic side and from the U.S. side, China has to be engaged. It cannot be ignored.

And when we received Chinese think tank here, interestingly, the question that comes up most is what does the U.S. think about our role in China? I would

say do not have a containment-type of strategy, engage, look at your priorities, and just deal with it. Yeah.

So for the BRICS also, you can see a big growth. Brazil, I have to check the statistics, but I read that Brazil is one of the -- Brazilian firms are one of the top employers in Angola. The (inaudible), you know, in mining, in Guinea and so on are very present. Even in agriculture, sometimes apparently the soil in Brazil has lots of characteristics that are similar to the soil in some parts of Africa. So even there's lots of cooperation.

But let me give you another example. In spite of China being the largest trade partner with Africa, most of the trade is in U.S. dollars, so you have to go through a U.S. bank. And when you've seen that the U.S. has slapped a \$9 billion fee to BNP Paribas for trading with Sudan and Iran, I would not really underestimate the strength of the U.S. in the global community.

MR. SSALI: Dr. Sy, we hear, of course, people blaming China for not providing employment, for pretty much not transferring technology and what have you, but what about the role of African leaders really? Aren't they the ones that should be responsible, should be making sure that their people have something to benefit from that relationship?

MR. SY: Yes. So first of all, it would be a mistake to look at the role of China as a static issue. China changes. China adapts. Right? So a firm like Huawei, which is in technology, even in Africa, the same as Google, the same as Microsoft, and you have issues of standards. They're training people in Kenya. There is some transfer of technology. But China's response sometimes -- and then there's the political economy. Suppose you're president and your constituents, your voters don't have access to reliable electricity. It's a headache. You could lose the elections. With the



Chinese, you can build a coal-generated plant, power plant very quickly. Of course, less red tape and so on. On the other hand, if you would go to some other partners, you know, they follow, you know a different set of procurement, governance, resettlement of people and so on, as a politician it's very -- China is very tempting.

We had a meeting once and one panelist was saying the biggest competitive of China is speed. So I think that's one thing that for many policymakers, many politicians, that's very tempting. And also, the other thing is that you have this demonstrated effect. When you have a new stage, you can see it. When you have a new bridge, you can see it. A new railroad; right? So it's a very tempting proposition, but I agree that as we've seen in the poll, governance and leadership was number one. That's where everything should start. Have a strategy and deal with different partners. You're having lots of new friends, so see how your new friends can help you in what you think is the best for your people.

MR. SSALI: Thank you.

Michael?

MR. O'HANLON: Great question. I'm going to have a hard time saying much of interest about Chad. I'm going to very briefly look at three other cases. I think your question was getting at the competing concerns -- counterterrorism, civil warfare, et cetera, and how I guess the main answer I would give is that while there are some unifying themes across the continent, you can really see distinctions that are very important from case to case that require a fair amount of attention to each, which is why it's a little bit audacious of me to actually talk about three in one answer, but I'm going to try anyway very quickly.

In Somalia, I don't really think you have an ethnic or sectarian issue. I think what you have is a country made up of a lot of clans that have been afflicted by two

things -- anarchy and Al-Shabab. And so you see a president now who, with African Union help, and I think the African Union deserves considerable credit in this case, is actually doing a pretty good job, a realistic job of bringing greater security to his country, has a fairly serious -- working with the U.N. and the AU, a fairly serious military campaign plan, and he's not trying to overdo the reach of his government, such as it is in the places that he "liberates." He's trying to work through local autonomy and local plan structures. So that's the way he's trying to strike the balance. Basically, people are tired of anarchy and Al-Shabab, so in a sense, his job is a little simpler and doesn't require as much of an ethnic component.

In my old Peace Corps country, DRC, this is, as you know, a combination of some ethnic tensions, but also proxy war. And if the weakness of Kabila, together with the tensions and competition between Rwanda and DRC could be addressed, I don't really think the ethnic or sectarian tensions would prevent major progress. So here I really think it's about DRC state capacity, U.N. mission state capacity, and high-level diplomacy between Rwanda and Congo, perhaps facilitated by the international community. I don't think sectarian or ethnic tension should be or have to be a big problem there. They are obviously present, but I don't think they're the primary driver of what's going on.

However, let me finish with Nigeria. And here I do think that you have the potential for things not only to be bad but to get worse on the ethnic and sectarian front, especially with the superimposition of the presidential race on top of all the terrible things happening in the northeast already, the general economic woes of Nigeria. And here, while I don't claim to have the full answer, I think the U.S. and the international community need to stand ready to incentivize the next president of Nigeria to be as inclusive as possible towards the northeast and to have not only improvement in the

Nigerian military but in the economic development strategies for the northeast. In short, I think we need more money and resources to potentially be teed up for a major effort to help Nigeria once they have a new president. And I don't claim throwing money and resources at the problem will solve it, but this a case where I think that it might be the most promising way to address some of these very serious ethnic and sectarian tensions. That's probably a pretty bad answer to your question, but as you know, the question was sort of very big and I just tried to give some case studies.

MR. SSALI: Michael, if I heard you correctly, are you then suggesting here that the problems frankly of Africa are not necessarily sectarian religious differences that is or ethnic differences but that rather it is perhaps the lack of what one would call equitable redistribution of resources and opportunities.

MR. O'HANLON: I think there is a fair amount to that. My observation when I was a Peace Corps volunteer and then Zaire, is that while the sectarian and -- well, the ethnic tensions were always there -- people were also proud to be part of a great country, a country with a fantastic potential as you said before, with fantastic culture, with a fantastic esprit and joie de vivre in the population. I think it created something of a Zairian national identity. And it was only when that identity was not buttressed and reinforced by good governance and opportunity, and then security woes afflicted the population as well, that the ethnic warfare could happen. But to the extent people could believe in a positive vision for the country as a whole, they preferred to think in those terms.

Now, I don't want to claim full understanding of the Zaire Wa mentality of the early '80s, but that's what it felt like to me. And it was really because Mobutu didn't produce something that could then be built upon that people devolved back into the ethnic warfare that we saw thereafter.

MR. SSALI: Thank you very much.

Why don't we bring the microphone, at least in the front here also to be a little bit more inclusive so we don't look like president of Nigeria?

Let's go to Mr. Africa himself, Melvin Foote.

MR. FOOTE: Good morning. Thank you very much for organizing the forum. I think Brookings deserves a great deal of credit.

My question is to my friend, Witney, and also to Mwangi. It seems to me that the oil -- the drop in oil prices is really going to have a detrimental impact on Africa given the fact that many countries are producing oil. I also appreciated, Witney, your assessment of the Obama administration. I think you're pretty much on the mark. But I think Americans remain uneducated, undereducated, miseducated about Africa. What can be done to improve -- what can be done to engage the diaspora in a real sense? I personally think the diaspora has a critical role to play if the U.S. is to strongly engage in Africa, but I don't see any movement from any of these institutions or from the U.S. government to truly engage the diaspora in this process. Thank you very much.

MR. SSALI: Thank you.

Next, let's go to the lady over there, please.

SPEAKER: First of all, Amadou, congratulations. Time flies and it's, I think, 14 years since you and I were part of a small team of four at the Fund that raised eyebrows because we were looking at that time at how African countries could attract more development, enhancing private capital flows.

So here we are today and much has changed and much has improved. I'd just like to ask if you can elaborate a bit on what you think in the external financing environment that resource-rich countries like Zambia and Nigeria, that still rely quite heavily on commodity prices remaining robust can do to take steps to attract more of the

development-enhancing private capital flows that will actually diversify their economies and not lead to destabilizing capital flow reversals? Thanks.

MR. SSALI: Thank you.

The gentleman, please. Would you please tell us your name and your institution or affiliation?

SPEAKER: Yes, (inaudible), U.S. Army, foreign air officer, Africa, of course. I have two questions. First one for Dr. O'Hanlon.

In your piece you mentioned potentially deploying a brigade to assist in the DRC. How receptive do you think the continent or the community as a whole will be to such an idea? And then the second question is for the rest of the panel. When you talk about regional integration, I just finished a tour in Yaoundé, Cameroon, where the (inaudible) is having a harder time with the integration part because of the differences in per capital GDP. So I guess my question would be what sense of identity or what shared goals do you think can be put behind the idea of regional integration? Or do you think, like the earlier question about having the diaspora involved in all Project Africa will be key to make something like that happen?

MR. SSALI: Thank you. Thank you.

I think we can now go to the first question from Melvin Foote. Who would like to take it? He had two choices. He had Witney and Mwangi.

MR. KIMENYI: Go ahead, Witney.

MR. SCHNEIDMAN: Well, I'll take part of it. I'm sure Mwangi will come in as well. Two points. Thank you, Mel, for the question.

In terms of the fall of oil prices, I think it does have a tremendous impact on the continent. The U.S. used to get, what, 10-15 percent of its oil from Nigeria. I don't think we import any oil today from Nigeria. That's quite a dramatic turnaround. Nigeria is

still selling oil on the international market but still at a lower rate. And I think -- I think the message there, and I think frankly the opportunity is, you know, countries like Nigeria, like Angola, that have been tremendous exporters, really have to accelerate the process of economic diversification, and it's no longer -- it was never sufficient to rely on one export, oil, but it's clearly not tenable now. And therefore, you've got to move more rapidly into manufacturing, financial services, technology, innovation, agriculture. And I think that's really the message, and that you have to attract more investment there. To do that you've got to improve the investment climate, to continue to make progress in that respect. So I think it's incumbent for those governments that are the oil exporters to use this sort of crisis situation as an opportunity to diversify the economy. And therein, I think that's a good segue to what role does the diaspora play? It plays a big role. I mean, as you heard Amadou say, places like Senegal and Somalia, the remittances are up to 10 percent of GDP. So I think the administration will play a much more active role, perhaps using OPEC, perhaps using XM, perhaps using USAID. I think there are some initiatives underway. But to really place more of a premium on, not only tapping into diaspora resources but diaspora talent as well. And leveraging that talent in the business sector back in Africa. And I think that can make a huge difference, not only to accelerating the economic development process, but helping those oil-dependent exporting countries to navigate this sharp drop in prices.

MR. SSALI: Thank you. Thank you.

Amadou?

MR. SY: Good to see you again. It's a difficult question. But, you know, that's interesting. I was listening to NPR and they were talking about New Orleans and how New Orleans at some point was very dependent on oil money. And one gentleman was saying how difficult it is to diversify away from oil money. When the money is

coming, the money is so good. This is New Orleans; right? So imagine.

So I think the question of how to diversify the economy is, you know, that's question that is at the center of thinking of many, many African policymakers. There's this big, big agenda on Africa's transformation. And so -- and like, for example, some economists, like Daniel Roderick, you know, he has this paper called "Africa Growth Miracle?" You know, he's asking tough questions, like Asian economies have grown very fast because they've managed to move from, you know, labor from agriculture to manufacturing and export, whereas we are moving labor from the manufacturing to services sector. You know. So how really conducive to growth, sustainable growth is the African services sector is a big question mark. There are some success stories. The ICT sector, the M-Pesa, the mobile money, mobile transfers, but we have to really understand better how the services sector in Africa can really help lead to inclusive growth. But overall, right now there is kind of a consensus that there are four areas to focus on. One is still agriculture. By the way, apparently, from studies I've read, the potential for poverty reduction is at the highest in the agriculture sector so agriculture and moving along the value chain to agribusiness. The second one is really looking at manufacturing in Africa, which has kind of shrunk over the continent and seeing, you know, the cost of doing business, the lack of infrastructure, power, and so on. And also, again, the global value chains, maybe we aren't good at manufacturing a whole widget, but we certainly can be very good at manufacturing part of the widget. So we have to understand the global value chain. Again, natural resources, doing better with what we have, sovereign wealth funds, you know, saving money for the future generations and so on, and services.

So agriculture, manufacturing, natural resources, and services. That is kind of -- if you look at a good think tank in Africa, Asset Africa Center for Economic Transformation has a very good report on that. Daniel Roderick's paper has that.

There's kind of a consensus. So I think the problem is not how to do it. And again, the leadership has to do it very quickly, very efficiently, because sometimes I feel we have a window of opportunity right now and we have to really act quickly.

But I have two issues which really we are working on and I think are even more important is the size of our markets also is very small that regional economic integration as Mwangi has said is very important to us. And there we really, really, really have to do a better job. There's a lot of progress in the Eastern African community. We are watching what they're doing very carefully. In West Africa, they have had these regional economies for a much longer time, but in some aspects, they are lagging a little bit. So what can we do to really enhance regional integrations? You know, for example, nontariff border -- sorry, nontariff trade barriers. You know. So apparently, in East African communities, having one border cross in Kenya at the port has reduced the cost to send goods to Kigali. And Kigali is benefitting a lot. Movement of goods, movement of people, movement of capital. You know. Just the plumbing. You know, to trade among ourselves, we have to trade, again, in U.S. dollars, and the plumbing is very difficult. So even it's not a very exciting issue but, you know, but if your plumbing has a problem in your house, you immediately call. So the plumbing is important for the movement of money. So a payment system. And now, maybe with new technologies, we can do something better. So I would look very carefully at the regional integration part and at the global value chain part and seeing how we can integrate.

So, sorry, just to come back again, one thing also that we have to look at is we are getting integrated to the global economy through China. That is something I should have said. Because China is becoming our trade partner, is investing. So, you know, what happens is China affects us also. If the Chinese consumer is consuming more, if wages in China are increasing, and maybe it's in the interest of the Chinese to



move some of these industries to Africa where we can have cheaper labor. And this is happening. They have shoe factories in Ethiopia and so on. So.

MR. SSALI: Thank you. Thank you.

In the spirit of inclusiveness, could we please get a question directed to my sister Vera Songwe?

MS. SONGWE: I wanted to answer the question on oil.

MR. SSALI: You will? You will get an opportunity to answer that. I needed something from the audience for you, too. Yes, please. Why don't we --

MS. WRIGHT: My name is Denise Wright, and I spent the last three years in Northern Nigeria. I was with the American University of Nigeria. And aside from the military situation there and the military not being ready to deal with all the insurgency and all, one of the other factors was the health system. And allegedly, the government -- and I want to know what your findings are -- allegedly, the government gets all this money to improve the health infrastructure and to have all these allocations for medication, building up the clinics and the hospitals, but it never seems to reach these areas. So I want to know what your impressions are, particularly in West Africa in terms of what's going on because that's a really, really big problem.

MS. SSALI: Yes, Vera?

MS. SONGWE: Yes, thank you. I think you're raising a question on public expenditure and the effectiveness of health systems in these countries. I think clearly one of the things that we see is that in many of the African countries the amount of resources that are being spent on the overall health sector are quite low. We have between 3 to 5 percent of the total GDP being spent on health. And not only that the resources are quite low, but also that the allocation is inefficient and ineffective. So what you get at the beginning, I think we had a good study that was done in Uganda which

showed that for every dollar that was spent, only about 10 cents got exactly to the health service centers. But now I think in many of those countries we have health service delivery indicators and I think Mwangi and the teams have been doing some work on that, which is basically trying to trace and improve the governance systems by which you get those resources down to the community centers. It is true that on the continent, the community centers, the service delivery centers are still the weakest and you need a lot more effort put at that. It is not just the amount of resources; it's how effective then when you get to those community centers. Do you have a capable health worker at that level that can effectively deliver the services? But a lot of work has been done over the last 10 years. I think some of the studies that Mwangi and the team in ACET and also in the African Research Consortium have been doing, and the World Bank as well, shows that there is much more improvement in health indicators and better transparency in terms of health management expenditures.

But the health systems is a very difficult infrastructure to put in place because you need to, first of all, get the evolution of services, and in many of the countries I think that there is a lot of work that is being done between who delivers the service and who gets the resources to deliver the services. And this is, I think, work that is being done in most countries with some most countries with some good efforts. In Uganda. I think in Kenya. In Senegal you have good successes. But I think the issue in Northern Nigeria is also the issue of security, which is impeding some of the efforts that are being made to ensure that you have more effective delivery of services in this place.

MR. SSALI: Thank you very much. Well, time happens frankly not to be our best floor.

MS. SONGWE: I still have the floor. Can I just say something on commodities?

MR. SSALI: Okay.

MS. SONGWE: I think the World Bank did a report on global economic prospects, and I think one of the interesting things that comes out that report is that when you look at the growth projections for Nigeria, Angola, Algeria, they are not going down by half as the oil prices are going, and I think Nigeria is actually going from 5 percent to 5.2 percent growth, to 5.3. Angola, I was surprised, is going from 3.1 to 3.3. And Algeria is also going from 3.0 to 3.3. These are oil producing countries. So I think the impression that they are heavily-dependent, commodity-driven countries is probably fading and we haven't caught up to that idea. And I think this is one of the things that we saw when Nigeria rebased its GDP, that the commodity sector was not as important as we all thought it was. And my sense is that with this new report that has just come out on the global economic prospects, we need to begin to rethink how much more of that dependence we think exists, and maybe it's not there, and maybe begin to catch up to the -- the countries are growing fast than we have and I think what Amadou was saying in terms of improving the investment climate, it's more like it.

The second thing is that almost 30 percent of the countries on the continent, and maybe 70 in some countries, energy imports was the only way of (inaudible) basically, 90 percent in Senegal, 90 percent of the energy was heavy fuel oil, which was creating a very uncompetitive environment. And so what we have now with the price of oil dropping so low is that all those countries become much more competitive from the oil side. The subsidies reduce and create a little bit more space for expenditures in the fiscal gap on the social sector. So I think there is a window, like Amadou was saying, to basically take advantage of this huge drop in oil prices to ensure that we can bring in renewable energy. We're talking about COP15 soon and climate clean investment, and I think this drop in oil prices can give us the space to reinvest in clean

energy, shift from heavy fuel oil, to solar, to thermal, and to water. So there is, I think, a competitiveness advantage there that the continent can take advantage of if we had good leadership and it was well done.

MR. SSALI: Thank you very much, Vera. As I pointed out a little bit earlier, time happens not to be our best ally, and I'll give a few minutes to Michael so he can respond to the last question.

MR. O'HANLON: I'll just take one minute. Thank you for the question. You asked about whether an American willingness to help the U.N. mission in Congo would be well received on the continent. The short answer is, "I don't know," but I'll say two things that make me at least slightly hopeful.

One, at a technical level, what I proposed is not that we go out and be regular infantry forces for the U.N. mission but that we benefit from these, as you well know, these so-called "advise and assist" brigades that we've developed in Iraq and Afghanistan, but we break down the brigade into a lot of smaller chunks and get out in the field, help plan and do various kinds of administrative and intelligence work with with the individual units of the Congolese military. I think the mission has to now start to anticipate not depending entirely on outside countries for the heavy lifting but trying to get the Congolese Armed Forces to a state where they can help in a more meaningful way. And so it's in that specific targeted way that I would like to see the United States be helpful, which makes me hope, getting to my second point, that the continent would be willing to tolerate this, and the Congolese government as well, because it's not the big American, you know, foot coming down and squashing anybody or taking charge of the mission; it's American trying to play a "behind the scenes" role in a fairly significant way but still in a way that's directly in support of many different Congolese units.

And the last point, maybe for the whole day, which wraps it together, is

that I -- I mean, we've talked a lot about the African Union today and President Obama and so forth. I would just say as a person here who knows the least about Africa on this panel and who has been there the least frequently in recent years, nonetheless, I'm impressed by a lot of the good things happening in Africa that have to do with a lot of the debates becoming less ideological than they used to be. And so they're less caught up in things like anti-colonialism and the Cold War and structural adjustment programs and, you know, the early HIV AIDS response and those kinds of big, huge issues that so dominated much of African politics and U.S. diplomacy towards Africa for many decades, I think are giving way to a more pragmatic period in which Africans seize and control their own destiny. We see a lot more democracy, even if not yet enough. We see a lot more good, economic reforms, even if not yet enough. We see a lot of things happening at the grassroots level, facilitated by technology and by Africans themselves doing things that I think mean that these kinds of ideas of American coming in and offering help are not necessarily going to be seen through quite as ideological of a prism as they might have been back in my day in Peace Corps. So that makes me hopeful, and maybe that's a good place for me to wrap up.

MR. SSALI: Well, on that note, I would like to take this opportunity to thank the panelists and thank the live audience for your participation in today's Foresight Africa. I'd also, of course, also like to thank the Brookings Institution for making today's event possible. Thank you so much, and let's keep hope alive.

(Applause)

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