

# ENHANCING AFRICA'S VOICE IN GLOBAL GOVERNANCE

*Mwangi S. Kimenyi and Nelipher Moyo*

## The Priority

For Africa, global governance matters. Decisions made by developed countries have a direct bearing on the well-being of the African people—most recently demonstrated in the developed world's global economic and financial crisis. Despite having no control over the crisis and its mitigation or outcome, negative repercussions still occurred in African economies including: increased currency volatility, reduced flows of private capital to the region, reduced flows of remittances and decreasing commodity prices. These outcomes then induced consequential implications on poverty, food security and health. Yet, Africa has been a marginal player in global governance matters, which impact its economic stability and overall well-being. While African countries have made major progress reforming their economies—improving the business climate and governance; and macro-economic management—these efforts are unlikely to bear fruit if impeded by developed countries. Volatility in global financial markets and a potential deceleration in commodity markets have gone unrecognized by developed countries and continue to threaten Africa's growth outlook for 2012. Beyond the economic arena, decisions on climate change, trade and global security matter to the continent. In 2012,

Africa should seek to increase its voice and influence in global governance structures, specifically by requiring a more inclusive framework to address the world's problems.

## Why Is It Important and What Needs to Happen in 2012?

### Global Economic Governance

The recent global crises revealed that the G-8 could not adequately address global economic problems and required a more inclusive process, leading to the expansion of the G-8 to the more comprehensive G-20. While this is certainly a step in the right direction, Africa and other developing countries—which are the most vulnerable to global downturns—must push for expansion of the G-20 to G-20 plus. Although South Africa gained membership in the G-20, most Africans believe that broader representation is necessary and, perhaps, the African Union is best equipped to represent Africa's interests in global affairs. Like the European Union, the African Union should have a place at the G-20 plus.

In addition, the Bretton Woods institutions need to be reformed to be more representative of developing countries. The World Bank has made noteworthy progress by

adding a third executive director for Sub-Saharan Africa and adjusting voting power on its Board of Governors. However, the International Monetary Fund continues to lack legitimacy in the changing global context. Despite the quota and voice reforms undertaken starting in 2008, emerging markets and other developing countries are under-represented on the IMF's Executive Board. In 2012, IMF reform should be at the forefront of Africa's agenda as the primary organization tasked with overseeing global financial market reform. South Africa's President Jacob Zuma reiterated this point at the 2011 G-20 Summit, where he stated "on IMF reform, South Africa seeks to increase the voice and participation of Sub-Saharan Africa and the creation of a third chair for Sub-Saharan Africa" (Patel, 2011). In reforming the IMF, countries should prioritize measures that increase the representation and inclusiveness of the organization. This includes removing veto power for any country, creating an independent accountability mechanism, and giving Africa a third chair on the Executive Board.

#### Global Trade

Trade has been an important driver of growth in Africa over the last decade. Exports account for one-third of African GDP and export value more than doubled between 2000 and 2010 due to rising commodity prices. Worldwide, as countries struggle to manage the effects of the global crisis, some have implemented recovery measures that are exacerbating trade imbalances between developed and developing countries. The World Trade Organization (WTO) has reported an increasing trend of protectionism among G-20 countries. This threatens global trade growth in 2012 and consequently presents a risk of slower economic growth in Africa.

African countries' participation in the WTO has previously been very limited. With the exception of South Africa, no other country in Sub-Saharan Africa has been involved in the WTO's Dispute Settlement Mechanism, as either complainants or respondents. With the current trend of rising protectionism in developed countries, it will be important for African countries to take a more active role in the WTO to safeguard their trade gains. African countries should work to ensure that, like the European Union, the African Union becomes a member of the WTO. This will open a

new trade context for countries in the region, which might otherwise lack the capacity to deal with complex trade issues and grievances.

#### Global Climate Change

The adverse effects of climate change are more pronounced in developing countries and especially those in Africa. Changing climate such as rising sea levels, droughts, heat waves, floods, and rainfall variation threaten development and food security in many Sub-Saharan countries and are likely to increase unless nations can agree on a comprehensive strategy for climate change mitigation and adaptation. In December 2011, global climate change advocates and policymakers met in Durban at the 17th Conference of the Parties (COP-17) to the United Nations Framework Convention on Climate Change to agree on a global climate change framework. While a legally binding framework to address climate change was not reached, COP-17 brought African governments together and initiated the development of a united African position on climate change.

It is critically important that in 2012 African countries continue to assert their voices in global climate change discussions. In particular, African voices should address the allocation of climate change adaptation and mitigation funds. In order to achieve climate change objectives, recipient countries must be active stakeholders in these discussions. Therefore, in 2012 African countries should build on the consensus reached in Durban and continue to advocate for increased participation in the allocation of climate change funds. In addition, despite their low levels of development, African countries should play a larger role in negotiations to reduce greenhouse gas emissions in order to protect themselves against an agreement that could adversely affect the region in more advanced stages of development.

#### Global Security—The U.N. Security Council

Global security remained a key issue in 2011 and will remain so for the foreseeable future. As the primary organization tasked with maintaining global security, in 2011 the United Nations Security Council authorized military action that resulted in regime change in two African countries: Libya and the Ivory Coast. Of the 60 resolutions passed by the U.N. Security Council in 2011, at least 38 were directed at African countries. Clearly, Africa has a stake in global secu-

urity matters and should have adequate representation in the world's global security arm.

The Security Council's five permanent members—China, France, Russian Federation, the United Kingdom and the United States—were designated in 1945 and have since remained unchanged. While 10 non-permanent members have been added, including South Africa and Nigeria, these members do not have veto power and can only serve non-concurrent two-year terms. To date, both Africa and Latin America lack representation among the Security Council's powerful permanent members.

In 2012, African countries should work with their Latin American counterparts to call for a more inclusive and equitable global security governance structure, starting with regionally representative permanent seats. While there are numerous and sometimes conflicting proposals to reform the Security Council's size, regional representation structure, veto implementation and categories of membership, there is consensus that each region should have a permanent representative. This should serve as the starting point for U.N. Security Council reforms. Finally, the African Union should be delegated as the representative for the continent.

#### International Aid Reform

A top item for Africa's 2012 agenda should be international aid reform and increasing the African voice in reform discussions. Two objectives must be met within aid reform: donors must continue to meet their aid commitments despite slower global growth; and the nature and effectiveness of aid must be improved. African policymakers agree that the region would benefit significantly from a reorientation of aid toward investment and that African countries should look for ways to leverage their relationships with China to increase their voice on aid reform.

In November 2011, the Fourth High Level Forum on Aid Effectiveness in Busan facilitated important discussions about improving the effectiveness of aid. During the forum, African countries emphasized the importance of ensuring that donor objectives align with African priority areas. While this was a positive step toward presenting a united front on aid, during the next forum, African countries should outline some specific agreed upon priority objectives and work to increase the voices of aid recipient countries.

#### Prioritizing the Inclusion Agenda

While discussing the theme for the January 2012 World Economic Forum Annual Meeting, Professor Klaus Schwab observed the “conventional modes of decision-making have become outdated. What we clearly need are new models for global, regional, national and business decision-making which truly reflect that the context for decision-making has been altered” (Schwab, 2011). Starting with the World Economic Forum, African countries should utilize these conferences to increase their role and participation in global governance. This should culminate in a seat for the African Union at the 2012 G-20 Summit in Mexico.

The changing global dynamic presents an opportunity to integrate new voices in global governance—which Africa should capitalize. In order to safeguard its recent development gains, Africa must play a greater role in global governance organizations in 2012. Failure to do so may result in the global agreements that are disadvantageous to the region.

#### References

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