SOUTHERN AFRICAN REGIONAL POVERTY NETWORK (SARPN)

Policy Dialogue Theme

"It is almost half-time": Will the SADC Region Achieve the Millennium Development Goals (MDGs) by the Target Date of 2015?

Current Macroeconomic Frameworks, Challenges and Alternatives for the Attainment of the Millennium Development Goals (MDGs)

By

Jesimen T. Chipika (Dr/Mrs)
Senior Development Consultant
Harare

27th June 2007
Johannesburg
South Africa

1. INTRODUCTION - Summary of MDG Progress in SADC

The SADC region is likely to achieve the universal primary education goal. However, poverty, food insecurity, child malnutrition, gender inequality in secondary and tertiary levels of education, in the economy and political sphere, high child and maternal mortality, deforestation, rural water and sanitation remain major challenges. The falling trend in the otherwise generally high coverage of child immunization is a cause for concern. The region remains the epicenter of HIV and AIDS with double digit prevalence and on the increase in most countries. This underlies the high morbidity, mortality and orphan burden. This is against a background of weak economic performance, declining official development assistance (ODA) to the land locked SADC countries and a high debt burden. MDG Indicator graphs showing progress are provided in Appendix.

MDG 1: Eradicate Extreme Poverty and Hunger
For most SADC region countries, the target of halving the proportion of the population below the US$1PPP per day seems unachievable. Hunger, food insecurity and child malnutrition remain a problem in the SADC region, and most of the SADC region countries may be unable to achieve the hunger reduction targets.

MDG 2: Achieve Universal Primary Education
The number of children attending primary school in SADC is high with most countries likely to achieve the universal primary education goal and targets. Internal efficiency has been maintained in the primary education system as Grade 5 completion rates have generally increased in all countries between 1991 and 2004. Literacy rates for the 15-24 year olds are very high in the SADC region.

MDG 3: Promote Gender Equality and Empower Women
Gender parity in primary and secondary education has been reached or is likely to be achieved in most SADC countries. Consequently, gender parity in the number of girls and boys aged 15 -24 years who are literate is achieved or likely to be achieved in most countries. Gender inequality in enrolment at tertiary school level remains a major challenge even though overall there is an improvement in gender parity in tertiary education in the SADC region. Eight of the SADC countries still have a bias against girls and 5 countries a bias against boys. Thus, overall gender parity in tertiary education may not be achievable in SADC by 2015**.** It should be noted that at secondary school level, the NERs are generally low such that the issue of concern should not only be to achieve parity but to increase enrolment of both boys and girls.

The share of women in wage employment in the non-agricultural sector remains very low in the SADC region; as such the overall target of 50 percent by 2015 is not achievable for most countries. More women are in parliaments in all SADC countries today than ever before. However, in most countries women remain vastly under-represented in politics.

MDG 4: Reduce Child Mortality
Under-five and infant mortality rates remain high in the SADC region with half of the countries experiencing declines which are not large enough to meet the 2015 MDG targets and five countries experiencing increases. While high immunization levels of one year olds against measles have generally been sustained in most SADC countries since 1990, the recently declining coverage in five countries by 2004 is a cause for concern.

MDG 5: Improve Maternal Health
Maternal mortality remains high and is falling at a painfully slow rate in most SADC region countries and this is combined with alarming increases in two of the countries. The target of reducing by three quarters the maternal mortality ratio will not be met by most countries in the SADC region. The most recent increasing trend is due to the impact of HIV and AIDS pandemic.

MDG 6: Combat HIV and AIDS, Malaria and other Diseases
The SADC region remains the epicenter of HIV and AIDS with HIV prevalence still in the double digit and on the increase in most countries in the SADC region. The target of halting and reversing the spread of HIV and AIDS by 2015 is not likely to be met by most countries in the SADC region. Deaths associated with tuberculosis

have drastically increased in most countries in the SADC region in the past decade since 1990. Given the current context of high HIV prevalence, the 2015 target of halting and reversing the incidence of tuberculosis will not be met. Although school attendance by orphans is generally very high, a notable proportion of orphans continue to be disadvantaged in terms of school attendance in some SADC countries. The 2015 MDG target of universal school attendance by orphans is achievable.

MDG 7: Ensure Environmental Sustainability
Deforestation is on the increase in the SADC region with most countries experiencing a fall in land area covered by forest. The proportion of land area maintained to protect biological diversity is slightly on the increase in the SADC region with most countries maintaining stable proportions and the rest slightly increasing. However, given the high rate of deforestation, the 2015 targets of reversing the loss of environmental resources are unlikely to be achieved.

Most SADC countries have achieved or are likely to achieve the 2015 targets of sustainable access to safe drinking water in urban areas. Even though most of these countries have seen an improvement in the sustainable access to an improved water source in rural areas, meeting the 2015 targets remains a challenge in the SADC region. Most SADC experiencing a decline in access to improved sanitation in urban areas and a rise in such access in rural areas. However, overall, the 2015 MDG improved sanitation targets will not be achieved in the SADC region.

MDG 8: Develop a Global Partnership for Development
Official development assistance (ODA) to the SADC region SADC region is declining with most countries experiencing this decline between 1990 and 2004. Debt burden is still high in the SADC region with about half of the countries experiencing high double digit debt service ratios.

2. CHALLENGES IN MEETING THE MDGs

The SADC region crises of high levels of poverty and the raging HIV and AIDS pandemic pose great challenges towards the attainment of MDGs. For example, in six countries in the SADC region – Lesotho, Malawi, Mozambique, Swaziland, Zambia and Zimbabwe – there were serious food shortages since 2000 to date and, related to this, the HIV and AIDS pandemic in the SADC region is continuously endangering the lives and livelihoods of millions of people. The combination of HIV and AIDS with chronic poverty, erratic rainfall, natural resource degradation and also the inextricable link between gender and poverty all culminate in an acute humanitarian crisis that demands immediate action. Just like in many other regions of the world, governance and institutional challenges overarch the development context of the SADC region. All these have resulted in the reversal of progress already made in many SADC countries towards the attainment of the MDGs.

Economic growth remains the major challenge constraining the attainment of MDGs in the SADC region. Declining, low or stagnating economic growth characterises most SADC region economies. The largely agriculturally-based economies are being negatively affected by climatic changes in particular droughts and floods. This has resulted in the region being susceptible to high food insecurity of humanitarian proportions since 2000 to date. Historical structural rigidities in the economies have persisted and the economies have not optimally diversified to become dynamic economies. The SADC region economies with the exception of South Africa and Mauritius largely depend on primary commodity production rather than high value manufacturing and value addition. This economic context has generated and sustained high poverty in the SADC region.

Recent experience of economic growth in the agriculturally dependent SADC region economies is sobering (see Table 1). Sub-Saharan Africa has experienced stagnant and declining export earnings, export concentration in primary commodities has increased and terms of trade (TOT) have declined all culminating in severe balance of payments (BOP) problems and sluggish and/or declining growth.

Table 1: Real GDP Growth Rates , percent per annum, by Country, SADC region 2000 – 2004					
Country	**2000**	**2001**	**2002**	**2003E**	**2004F**
Angola	2.4	3.5	11.7	10.5	8.5
Botswana	4.7	4.8	4.1	5.4	7.4
Lesotho	4.0	2.8	4.0	4.0	4.0
Malawi	2.3	-1.5	-2.0	1.8	2.6
Mauritius	4.0	5.4	5.2	4.8	5.1
Mozambique	1.6	13.9	12.0	10.2	8.0
Namibia	3.9	3.0	2.3	4.0	4.5
South Africa	3.1	2.5	3.0	2.7	3.5
Swaziland	2.5	2.6	1.6	2.4	3.0
Zambia	3.0	5.2	3.7	3.2	3.1
Zimbabwe	-4.1	-7.3	-8.5	-8.8	-4.7
Source: ECA-SA Economic and Social Conditions in Southern Africa 2003. Data for DRC, Madagascar and Tanzania was not available.					

External debt remains a serious burden in the SADC region with many countries well above the ideal debt-service ratio of below 5 percent. Past debt relief strategies, including the contemporary HIPC initiative have not, as yet, resulted in debt sustainability in the SADC region and debt-service obligations are severely constraining poverty reduction efforts. A number of SADC countries are experiencing high double digit debt service ratios and these include Angola, Botswana, Malawi, Zambia and Zimbabwe.

The attainment of the MDGs in the SADC region will be a costly exercise requiring enormous financial resources for the massive public investments needed. Given that the SADC region is home to some of the world's poorest countries, the scale of the funding requirements necessary to achieve the MDGs is beyond the means of many SADC region countries. Domestic economic growth will be critical in expanding the 'resource envelope' necessary to finance the MDGs. It has been estimated that US$ 17.6 billion in external financing is required to halve the proportion of people living in extreme poverty and hunger in Southern Africa by 2015. The costs of funding the remaining MDGs have been calculated at US$ 10.5 billion.

External debt is a serious resource constraint to achieving the MDGs. Southern African countries have a total debt stock of US$ 78.1 billion with total annual debt service amounting to US$6.8 billion. Excluding South Africa, debt as a percentage of GDP in Southern Africa is 100 percent. According to UNDP (2002), some countries in Sub-Saharan Africa spend more on their debt-servicing obligations than they do on the social sectors necessary to achieve the MDGs. Past debt relief strategies, including the contemporary HIPC initiative have not, as yet, resulted in debt sustainability in the SADC region and debt-service obligations are severely constraining the public expenditures that are necessary to accelerate progress towards achieving MDGs in the region.

3. NEO-LIBERAL MACROECONOMIC STABILIZATION AND ADJUSTMENT

Most of the SADC countries have gone through various policy changes in the last three to four decades. Most efforts at structural adjustment in Africa aimed at promoting stabilisation and economic growth have been assisted and encouraged by in International Financial Institutions (IFIs) such as the International Monetary Fund (IMF) and the World Bank (WB). There is no universally accepted definition of structural adjustment or economic reforms. What is often referred to as structural adjustment/economic reform is basically macro-economic stabilization policies, i.e. structural adjustment in the narrow sense. Macro-economic stabilization usually precedes or accompanies proper structural adjustment and is normally a precondition for adjustment. According to the IMF, macroeconomic reform is necessary for successful stabilization to be attained and maintained. The IMF therefore conditions its Balance of Payments support to developing countries on policies consistent with macro-economic stability. Thus although at theoretical level the dividing line between adjustment and stabilization is very clear, in practice this line becomes blurred since stabilization measures constitute important elements of adjustment.

Macroeconomic stabilization can be defined as change of policy in response to a non permanent monetary shock to the economy in order to achieve internal and external balances in the short to medium term. Stabilization policies thus aim at restoring the economy to the financial/monetary equilibrium position that existed before the shock. On the other hand structural adjustment/economic reform seek to change the configuration of the economic equilibrium by encouraging efficient resource allocation thereby increasing economic growth. Adjustment policies are particularlyin response to permanent and irreversible shocks on the economy. Structural adjustment lending which entails lending conditioned on specific economic policies such as reforms to free market forces so as to get prices right and promote long term growth has emerged as an instrument of the World Bank.

There is little controversy on the need for good macroeconomic management as most governments accept that macroeconomic instability and poor macroeconomic policies are not conducive to growth. By contrast the premises of adjustment are the subject of considerable debate and controversy. While macroeconomic stabilization requires that governments act prudently and live within their means, **adjustment demands that governments withdraw as much as possible from intervening in resource allocation**. Given the extent of government withdrawal and economic restructuring that structural adjustment programmes (SAPs) have demanded on adjusting countries, it is not surprising that they have been very controversial especially in Africa.

Essential Features of SAPS

SAPs are based on very strong assumptions that markets are efficient and the government intervention on resource allocation is essentially inefficient and distorting. Thus government intervention is only accepted in cases of market failures in the provision of infrastructure, education and health etc. The need for market prices to reflect relative scarcities applies as much to factor as to product markets though greater attention is generally paid to the latter. According to these neo-liberal policies of adjustment, distortions in the product market are corrected through the use of three policy tools :

- An adjustment in the nominal exchange rate;
- Trade liberalization; and
- Product market liberalization.

There is doubt that neo-liberal adjustment advocates for an export-orientated growth strategy.

Factor markets are also covered by the WB philosophy of getting prices right. This explains why SAPs emphasize the need to carry out financial sector reforms which are generally aimed at improving the functioning of the domestic financial market , removing distortions and controls and allowing interest rates to respond freely to market forces. A well functioning financial sector raises both the level and efficiency of investment in the economy thereby encouraging growth. However, the banking system in Africa has been bedevilled by large fiscal deficits, the reliance of Public enterprises on the domestic financial system, and an increasing portfolio of bad debts. Under these circumstances adjustment policies have sought to achieve the following three financial sector objectives;

- Reduction of financial repression;
- Restoration of solvency to the financial system; and
- Improvements in the bank infrastructure.

Adjustment programmes also target the labour market encouraging real wage flexibility. This is because in the medium to long term structural adjustment implies resource transfers which in turn require labour market flexibility to allow free movement of labour in the economy. Basically under the neo-liberal adjustment programmes, there is no room even for the infant industry protection, a critical requirement for most developing countries to industrialize.

Thus under the neo-liberal adjustment programmes economic planning , particularly indicative planning was thrown out and the corresponding infrastructure including planning ministries was largely dissolved in the 80s and 90s. In the late 1990s there was a paradigm shift in adjustment programmes with more focus being placed on poverty reduction. In this regard, most SADC countries are pursuing economic development policies under the Poverty Reduction Strategy Papers (PRSPs) frameworks, National Development Plans (NDPs), Medium Term Expenditure Frameworks (MTEFs) etc. Most countries are now in their second generation PRSPs which are largely growth and development strategies for poverty reduction in contrast to the first generation PRSPs which were largely social sector oriented. The overall thrust of these policies still includes liberalization of the financial, capital and labour markets, import and export markets, privatization of formerly state owned companies, budget reforms, and institutional reforms, among other policy changes with a view to promoting growth for poverty reduction. The practical results of these reforms have been mixed so far.

4. CRITIQUE AND CHALLENGES OF NEO-LIBERAL ECONOMIC POLICIES

The need for structural adjustment in many African economies is not questionable as this is the very essence of development. What is debatable is whether IMF/WB type programmes can eradicate structural deformities in these economies and generate the required sustainable growth and development to meet the 2015 MDG targets. Overall, the experience and outcomes in the 1980s and beyond with the neo-liberal macroeconomic policies has been negative with economic growth stagnating or declining in many countries, poverty increasing in the context of rising inflation and unemployment. In addition, food shortages have increased particularly in Southern Africa due to the combination of natural and policy related factors and HIV and AIDS has ravaged the sub-continent.

Among the sub-Saharan African countries that adopted adjustment policies since the 80s, about three quarters recorded declining per capita incomes, over half experienced declining investment and accelerating inflation. The adjustment policies did not succeed in restoring economic growth except in a minority of countries. In the latter countries the WB poured in disproportionate amounts of aid and soft loans in support of the adjustment programmes, (Stewart 1991).

Some analysts have observed that the developed world does not adopt IMF/WB type programmes to effect structural change in their economies. Structural changes in the developed countries have occurred overtime and did not lead to disruption of the social, political or economic fabric of their societies as the case in most African countries. Thus, developing countries should also insist on symmetrical structural changes which take into account the realities of their environments.

Wholesale liberalisation has proved to be an inappropriate strategy in the context of Africa. In the initial stages of adjustment in the 80s it resulted in the collapse of indigenous industries both large and small as they were outperformed by the internationally exposed companies in production. Recently, the experience of flooding of cheap and generally poor quality mostly Asian goods (particularly Chinese) in Africa remains a big challenge for both governments, local industry and consumers. There is no doubt that some level of protection to the young African countries is required to avoid total collapse. Given that international capital has high mobility in search better investment conditions and returns, it is necessary for governments to intervene to reduce exposure of countries to this high globalization risk. A case in point is that of Swaziland where the foreign dominated textile industry has experienced a decline as about 14 textile factories have closed their operations and left the country affecting about 15 000 – 30 000 people who have become unemployed in 2004. There is no doubt that if Africa is to achieve its 2015 MDG target including halving poverty there is need to consolidate local production first while attracting meaningful foreign investment.

Opening up economies to foreign finished goods undermines technological development and transfer of technology into African economies. It is also important to note that not all technology is freely mobile except communication technology such as televisions, cell phones, computers etc which are best distributed by the market. Otherwise there is need to search for appropriate technology at a cost.

Given the historical structural inequalities in access to major means of production in Africa, reality has shown that this cannot be resolved by market forces alone. A lot of deliberate government intervention is required in the redistribution of key means of production, for example, the case of land redistribution in Zimbabwe, Namibia and South Africa. A strong social state is necessary if the redistribution of means of production and wealth is to take place in Africa to facilitate the attainment of the 2015 MDG targets. The experience with labour market liberalization under SAPs has not been encouraging either. Rolling back the state in regards to labour laws in export processing zones, for example, resulted in the nullification of the decent work requirements in many countries.

Governance discourse in developing countries has questioned the efficacy of the policy of rolling back the state under SAPs. Critiques argue that this has weakened many states over the decades of economic reforms and with it came increased poverty and weakened social delivery systems. Now with the MDG agenda coming back to those very same social issues, one can ask to what extent a weakened and rolled back state can meet its social responsibilities? In this regard, it is now difficult to find a strong social state in Africa. Cost recovery in health and education which was introduced under the neo-liberal macroeconomic reforms continues in many countries even in the face of a raging HIV and AIDS pandemic. Weakened governments find themselves reneging their social responsibilities in health and education to households and communities under seriously under funded programmes such as the home-based care programmes.

Infrastructure development is a precondition for sustainable economic growth and there is no doubt that a strong government hand is required in this respect. However, efficiency in infrastructure development can be improved by building strong partnerships with the private sector in actual programme implementation.

Radical critiques of neo-liberal macroeconomic adjustment conceptualize SAPs as essentially a privatization programme (Mwanza, 1992) and others see them as a new form of recolonization of Africa, (Chakaodza, 1993). It would appear that the actual reason for IMF/WB type of SAPs is privatization for improved debt servicing via the export-led growth. They argue that initially failure to service accumulated debts by developing countries led to increased donor pressure for adoption of SAPs. Subsequently, continued failure to service accumulated debts has led to the suspension or cutting of macroeconomic support to countries, for example, in Zimbabwe. The proponents of the recolonization argument say that the colonialists are the bankers, the foreign investors, economic consultants and international technocrats under these programmes. Thus, money and power remains in their hands. The SAP model unduly focuses on the domestic policy factors as the cause of socio-economic dislocation and crises and fails to acknowledge the contribution of the hostile external environment.

In countries implementing SAPs or their more recent version, there is a general tendency to de-emphasize development planning and to emphasize budget planning , monitoring and control. Although the latter are also important, they need to be in the context of a clear development plan. Thus, the main African critics of the neo-liberal paradigm as reflected in SAPs revolved around a number of arguments which included; erosion the role of the state whilst the process of African development necessitates a central leading role for the African developmental state, underestimation of the weaknesses of the African state institutions, the social repercussions of the erosion of the role of the state and the role of the market in creating corruption. Others argued that the post independent African state was predatory, clientalist , elitist and patrimonial etc and as such cannot not serve as an engine for economic development. However, both agree that a central role for the state will be needed to promote development in Africa.

SAP is basically a programme targeted at changing the incentives structure in favour of tradeables against non tradeables. Thus, developing countries should specialize in the production and export of primary products since they have a comparative advantage in these. However, structuralists argue that prices of primary goods have fallen relative to those of manufactured goods during the past century and so developing countries will continue to face deteriorating incomes from the trade flow.

Following all these criticisms on the neo-liberal macroeconomic frameworks, Stiglitz, 1998, criticising from within the Bretton Woods institutions, proposed a mode of partnership and dialogue between the state, private sector and civil society. He argued that a New Development Strategy must include components aimed at developing the state (public sector), the private sector, the community, the family/ household and the individual.

According to the 1997 World Development Report the most successful experiences of development have proved to be the models where the state balances the role of markets to correct its failures and maintain justice. A similar orientation was proposed by the Organization for Economic Cooperation and Development (OECD) which promoted the logic of private, public partnership in which trust is built between the state and the private sector to work on the basis of complementarity instead of competition with the aim of building an institutional framework for the development process that does not hinder the role of the market and at the same time does not ignore the social aspects of development, (OECD, 2003). Overall, the post Washington consensus indicates the demise of the state market dichotomy and the rise of a debate that is not concerned with state intervention per ser but with the form and extent of that intervention and with building the capacity of the state to match its development tasks.

5. AFRICAN ALTERNATIVES TO NEO-LIBERAL ECONOMIC POLICIES

Following the failure and resultant frustration from SAPs, African governments and other development players in Africa have come up with several alternative development frameworks. As Africa enters the 21st century her people are faced with the same basic problems of survival that they expected to have overcome after almost half a century of political independence. This is despite the goals set at independence in virtually all African countries declaring war against poverty, ignorance and disease, the onset of HIV and AIDS and increased violent conflicts in Africa have further aggravated the precarious situation. Africa has had several proposals and processes relating to regional integration and seeking to realize development in the continent and some of these include:

- Lagos Plan of Action (LPA) for the Economic Development of Africa , 1980-2000;
- Africa's Priority Programme for Economic Recovery (APPER), 1986-1990 later converted into;
- The United Nations Programme of Action for Africa's Economic Recovery and Development (UN-PAAERD), 1986;
- The African Alternative Framework to Structural Adjustment Programme for Socio-Economic Recovery and Transformation (AAF-SAP), 1989;
- The African Charter for Popular Participation for Development (ACPPD), 1990;
- The United Nations New Agenda for the Development of Africa in the 1990s (UN-NADAF), 1991; and
- The New Partnership for Africa's Development (NEPAD), 2002.

Lagos Plan of Action (LPA) for the Economic Development of Africa, 1980-2000.

African governments noticed as early as 1980 under the Organization of African Unity's Lagos Plan of Action for the economic development of Africa 1980-2000 that the then neo-liberal macroeconomic frameworks were not robust and not achieving intended results. The key alternative strategies to economic development suggested then included the following:

- Self-reliance based on Africa's huge resources which must be utilized for the benefit of the people of Africa. This was not to say that the continent should cut itself from outside contributions in development but that such contributions should only supplement local effort and should not be the mainstay of Africa's development.
- Move away from total reliance on the export of raw materials to include value addition under restructured and expanded markets;
- Pursue an all embracing economic , social, cultural and political development strategy which includes mobilization of Africa's entire human and material resources for development; and
- Pursue with renewed determination efforts for Africa's economic integration and economic cooperation.

The Lagos Plan of Action had specific strategies for all key sectors of development. In the area of food and agriculture it was highlighted that the fundamental requisite is a strong political will to channel large volumes of resources to agriculture and support small farmers in order to achieve higher levels of productivity and improve the welfare of the majority of the people who reside in rural areas. The development of agriculture should not be considered in isolation but integrated within the economic and social development processes. Priority actions would include reduction in food wastage, attaining a higher degree of food security, increased food production particularly cereals and agricultural diversification. The set up of agricultural production should be based on adequate and realistic agrarian reform programmes consistent with political and social conditions prevailing in each country.

It was realized that the industrialization of Africa in general and individual countries in particular constitute a fundamental option in the total range of activities aimed at freeing Africa from under development and economic dependence. Industrialization will help meet the basic needs of the population exploitation of natural resources, creation of employment, establishment of a base for the development of other economic sectors, creation of a basis for assimilating and promoting technological progress, resulting in overall development. Emphasis should be put to establish links between industry and other sectors so as to promote backward and forward linkages and thus achieve harmonized industrialization and development. Industrialization should aim at self sufficiency in following sectors; food, building materials, agricultural inputs (fertilizer, pesticides, agricultural machinery etc), clothing, energy, intermediate and capital goods etc

Exploitation of natural resources such as minerals, water and energy resources remains a key strategy in the development of Africa. The aim of African government should be the rational development and utilization of their natural resources, employing technologies that are appropriate to their local conditions and paying due regard to the conservation of natural resources. Key strategies include, establishment of joint regional and sub-regional facilities for applied research, specialized services and training and participation in multinational projects for the exploitation, production and processing of usable natural resources.

Since Africa's greatest asset is human resources, full mobilization and effective utilization of the labour force (men, women and youth, both trained and untrained) for national development and social progress should be a major instrument for national development. In accordance with the principle of self reliance individual countries should give special priority to the development of scientific and technical manpower and skills at all levels. A primary objective of socio-economic development is the improvement of life of the entire population. The attainment of this objective requires full participation of all segments of the population in gainful and productive employment and provision of all essential services for the enrichment of life. It also requires effective programmes of social welfare, community development, social security and mobilization of the population for the development of public works and community services is effective social safety nets.

Adopt measures to ensure the development of an adequate science and technology base and the appropriate application of science and technology base and the appropriate application of science and technology in spear-heading development in agriculture; transport and communications; industry, including agro-allied industries; health and sanitation; energy, education and manpower development, housing, urban development and environment. Science and technology development should also target low cost technologies for rural development. Science and technology training at all levels remains a critical component of this strategy.

African governments have always recognized that transport and communications constitute an important sector on whose development depends not only the growth in other sectors but also the socio-economic integration of Africa as well as the promotion of intra and extra African trade. Strategies in this areas included promotion of the integration of transport and communication infrastructure, coordination of the various transport systems in order to increase their efficiency, opening up land locked countries and isolated regions, harmonization and reduction of national regulations to facilitate the movement of persons and goods, standardization of networks and equipment for communication infrastructure, promotion of industry in the field of transport and equipment etc.

In the area of trade and finance, in which the aim is to expand intra-African trade the following measures were recommended; reduction or elimination of trade barriers, put in place mechanisms and measures for the facilitation and development of trade including establishment of import/export banks, establishment of African multinational productions and joint ventures and the establishment of an African Common Market.

The priority areas of environmental concern included; water , sanitation, desertification, drought, deforestation, soil degradation, marine pollution, human settlements, mining, air pollution, environmental information, communication and education (ICE) and exploiting renewable energy sources.

One major critique directed at the LPA was that the state was seen as the leading actor, if not the sole economic actor in African economies. It should bear the burden of elaborating the social, economic and cultural policies that enable the mobilization of resources and capabilities of the country. The LPA also emphasized the role of the state in the distribution of both developmental burdens and benefits to ensure their fair distribution. Implicit in the LPA is that the state was part of the development crisis and therefore the main agent for its resolution. In concentrating on sectoral programmes the LPA dealt with the African development predicament as a predominantly economic crisis. However, there is no doubt that that the African crisis was more than just an economic crisis.

Other African Alternatives

(United Nations Programme of Action for Africa's Economic Recovery and Development (UN-PAAERD) and the African Alternative Framework to Structural Adjustment Programme for Socio-Economic Recovery and Transformation (AAF-SAP)

The United Nations Programme of Action for Africa's Economic Recovery and Development (UN-PAAERD) avoided some of LPA's shortcomings. The programme emphasized the central role of the state in the development process but added the need for building the capacity of state institutions to enable it to perform its role. The programme also asserted that admitting the central role of the state does not negate supporting the role of the private sector.

At the end of the 1980s the United Nations Economic Commission for Africa (UNECA) mobilized its intellectual resources to design the African Alternative Framework to Structural Adjustment Programme for Socio-Economic Recovery and Transformation (AAF-SAP). One of the main arguments of the Alternative Framework was to get rid of the ingredients of SAPs especially those that defend the minimal role of the state. For the AAF-SAP, the role of private capital is highly sceptical since privatization had failed because of lack of an efficient robust private sector in most of the African countries and the danger of the domination of foreign capital over African economies. The Alternative Framework states that four imperative categories should be applied in order to pursue the path of adjustment with transformation and these are;

- Strengthening and diversifying Africa's production capacity;
- Improving the level of people's incomes and the pattern of its distribution;
- Adjusting the pattern of public expenditure to satisfy people's essential needs; and
- Providing institutional support for adjustment with transformation.

While many African scholars celebrated the AAF-SAP for its severe criticisms of SAPs and its attempt to elaborate an alternative plan based on mobilizing alternative resources and supporting regional integration, others do not regard it as a real alternative framework and criticize it for being a state centred plan that calls for the domination of the state. The architects of the framework in defence stressed that the framework is drawing a balanced non-ideological vision which neither calls for a strict intervention of the state nor promotes a total reliance on markets. The efforts of elaborating an alternative framework to SAPs were complemented by the Arusha Conference on Popular Participation in Development, 1990 which adopted the African Charter for Popular Participation in Development and Transformation. The Charter introduced a mode of partnership between the state and civil society for promoting development based on popular participation in the continent. The Charter, enthusiastically welcomed by African civil society organizations however, lacked an implementation mechanism leading to its general non implementation.

Thus, African development plans of the 80s and 90s concentrated on establishing an alternative development strategy to SAPs, a strategy in which the state plays a central role, leading the process of development. Some of them realized that for that to happen there should be an adequate reform of public management systems and capacity building for state institutions, others drew a partnership project between the state and civil society to achieve a people centred mode of development. However, most of these plans were sceptical about the role of the private sector.

New Partnership for Africa's Development (NEPAD), July 2002

The New Partnership for Africa's Development (NEPAD), now Africa's strategy for achieving sustainable development in the 21st century, went through various adjustments over some years before it was formally adopted in Durban South Africa in July 2002 as the economic programme for the newly launched African Union (AU). In many respects the NEPAD is the ultimate culmination of the African alternative frameworks for development. It provides an African initiated and driven framework for interaction with the rest of the world with the long term vision of eradicating poverty and promoting the role of women in all activities.

The prime vision of the NEPAD is to attain and sustain regional integration in Africa, embracing positive African concepts and promoting self-reliance and self-sustenance. The stated vision in the NEPAD of eradicating poverty and propelling Africa into the 21st century and solidly onto the path of sustainable development is critical.

Keys values in the NEPAD process include:

- Genuine commitment to broad consultative processes in decisions and programmes affecting the African people;
- Respect for life over profit which includes ensuring access to basic and essential services by all citizens;
- Commitment to integrating gender to all aspects of development and to reversing elements in culture and development programmes and projects that are inherently oppressive to women disrespecting their human rights;
- Basing development efforts and initiatives on African values such as espoused in *ubunthu* which involves an African system of peace and re-kindling the human spirit.
- Developing new concepts about what is African in relationship to the meaning of life, democracy, governance, peace, security and integrating these in all development efforts;
- Integration of respect for human rights and democracy by African leaders to their peer review process in NEPAD and in all aspects of development initiatives particularly concerning governance; and
- Adoption of clear social contract between the state and citizens.

NEPAD proposes six programme areas namely, infrastructure development, human resource development, agriculture, environment, culture and science and technology. The programme accords a high priority to capacity building for state institutions. The NEPAD document clearly states that *"State capacity building is a critical aspect for creating conditions for development. The state has a major role to play in promoting economic growth and development and in implementing poverty reduction programmes…... It is for this reason that targeted capacity building should be given high priority. Programmes in every area should be preceded by an assessment of capacity followed by the provision of appropriate support.*" It is not surprising then, that some African analysts praised the trial of NEPAD to deal with the reality of weak states in Africa, arguing that the emphasis on governance issues in NEPAD reflects the view that state weakness is the underlying cause of lack of development in African countries.

The effective state is seen as NEPAD's goal as the initiative realizes that promoting the role of the state in the development process needs first to build the capacity of the state to perform that role. According to that vision practical steps have been taken to build the capacity of African institutions, one of which has been the inauguration of the fourth Pan-African Conference of Ministers of Public Service, held in May 2003 which adopted a programme on governance and public administration aimed at ensuring that African states and governments have the capacity to govern effectively and deliver public goods. The impact of this move is yet to be seen.

The partnership aspect of NEPAD is clear in urging the African countries to *"Organize dialogue between the government and the private sector to develop a shared vision of economic development strategy and remove constraints on private sector development"* Thus NEPAD presents a new paradigm in development thinking on the African continent, that states and markets are complimentary partners in socio-economic development. Hence, it is imperative that African governments strive towards creating an enabling market friendly environment in the development process and in so doing private sector will be the engine of economic growth while governments concentrate on infrastructure development and creation of the enabling environment as well as social service provision.

The responses to the NEPAD have been varied, reflecting varying view points with some calling for a total rejection of the NEPAD unless it is completely overhauled after intensive debate by all African people. The critics argue that NEPAD represents *"tying the African canoe to the ship of the North in the waters of globalization"*, thus propagating the neo-liberal economic agenda and consequently reintroducing neo-colonialism by the North in Africa. The other perspective offered on NEPAD is that African leaders deserve a chance to reverse the numerous crises in the continent which they are proposing as outlined in the NEPAD document. Their acknowledgement of the need for a renaissance in Africa and the concepts of democracy, accountability, transparency and peer review should account for more than the pessimistic criticism and call of dismissal of the document by others.

The emphasis put on foreign direct investment (FDI) into Africa's economies at the rate of US$64 billion per annum is seen by others as deeply flawed and unrealisable due to a number of factors including the high risk perception and also the diversion of FDI to Eastern Europe. The distrust and absence of confidence that the people of Africa have in their leaders should not be underestimated after decades of unfulfilled promise. The enthusiasm with which the NEPAD proposal was received by the North was viewed by many with suspicion, particularly in connection to the call within the document for *"more aid and freer trade"*. It was suggested then that NEPAD should be pitched on the principles of self reliance, self-sustenance, the democratization of the development process and fair and just distribution of the fruits of development which had been identified in the LPA. Given that poverty is one major consequence of the neo-liberal frameworks, there is need to consider redistribution of wealth rather than the sole focus being on economic growth as a feasible strategy.

Some feel that neo-liberalism and classical economics is the framework that informs NEPAD even though there has been a slight attempt at capturing African reality. Some critics view the emphasis on good governance in NEPAD as *"total endorsement of the neo-liberal agenda"*, a way of creating an enabling environment for the implementation of SAPs and international private sector development. From the background of the NEPAD it is reasonably safe to assume that partnership intended in this development framework for Africa is first and fore most amongst Africans and African countries and then with the rest of the world. However, there is a widespread perception that the partnership is more with the outside world constituting a selling out or a recolonization of Africa. Africa remains too donor dependent and needs to be more inward looking in its resource mobilization strategies, including protecting its infant industry and closing resource leeks through capital flight. While partnership with the private sector is much more clearly articulated in NEPAD, the same is not true for civil society who are normally roped in to satisfy the demands for popular participation, particularly in the APRM initiative. However, what is needed is to specify the developmental role that civil society can play, for example, in meeting the needs of local communities, given their long experience in this area.

To sum up NEPAD just like other previous African development initiatives has its shortcomings but it also opens up new opportunities for materializing a balanced relationship between the state and the market, promoting the capacity of the state institutions and that of civil society institutions as well as increasing the autonomy of the state by combating corruption and promoting transparency and accountability. However, one cannot ignore the criticism that the initiative depends heavily on foreign capital for its implementation and that it does not declare how it will match people centred development with private sector led growth.

6. ECONOMIC RECOMMENDATIONS TOWARDS THE ATTAINMENT OF MDGs

6.1 Political Commitment

SADC governments should have clear political will to implement economic strategies aimed at achieving sustainable growth and development and attainment of the 2015 MDG targets. In this regard, good governance is a prerequisite for the creation of an environment conducive to development progress. Key elements of good governance include accountability, transparency, participation and inclusiveness to ensure prudent use of national resources to achieve economic growth and development for poverty reduction. Political commitment at higher levels would include the domestication and full implementation of United Nations resolutions and SADC regional integration commitments and programs.

6.2 Efficient Resource Allocation

SADC governments should clearly align their national budgets with national development priorities as reflected in their strategic macro-economic frameworks and other kept policy documents. Some of the national priorities in the SADC region include agriculture and mining development, industrialization including value addition manufacturing, infrastructure development, protection of social sectors (education and health) and HIV and AIDS prevention, mitigation and care. These should ensure food security, foreign exchange generation, employment creation and poverty reduction. Development strategies should be driven by national resources, first and foremost, with donor/development partner assistance playing a complementary role.

6.3 Broad Partnership

Given that the MDGs are a tall order for any developing country to deliver on, governments on their own cannot manage to address the demands of attaining the MDGs. At local level, there is therefore need to build strong partnerships and alliances for development between the government, private sector, civil society and NGOs, communities, households and individuals to ensure faster progress in the attainment of MDGs. Strong local partnerships are important for the sustainability of development progress based on a strong sense of commitment in the context of national ownership.

Global partnerships also play a critical role in the attainment of MDGs through resource mobilization, technology, technical expertise, markets etc. Given that both the state driven macroeconomic development frameworks as well the market driven have not delivered on the development agenda in Africa, it is time that a model in which the state balances the role of markets to correct its failures and maintain justice is pursued. In the same vain, such a “new” development model should promote private, public partnership in which trust is built between the state and the private sector to work on the basis of complementarity instead of competition with the aim of building an institutional framework for the development process that does not hinder the role of the market and at the same time does not ignore the social aspects of development. Overall, there in need to build the capacity of the state to match its development tasks.

Private sector partnerships

For the private sector to act as an engine of growth, governments must facilitate the creation of a conducive environment for private sector operations. One such conducive environment is a stable macroeconomic environment. On their part companies need to ensure good corporate governance and to intensify their work on the corporate social responsibilities, especially in the areas of environmental protection and the provision of social services such health and education. On the other hand labour remuneration should largely be productivity related in the context of a social contract between government, business and labour.

Civil Society partnerships

Civil society should not be roped in (consulted in a nominal way) to satisfy the broad consultation demands. Instead, they should be substantively involved in the design and implementation of macroeconomic frameworks and strategies in the region capitalizing on their strengths in implementing development programmes and projects at community level.

Global partnerships
Given that MDGs are a global compact, developed countries should honour the commitments they have made at different international fora to increase the quantity and quality of ODA to least developed countries and to harmonize their policies to align aid with the 'needs' of recipient countries. In this regard, support for HIV and AIDS programmes particularly the provision of ARVs should be given priority in the SADC region. Donor policy reforms should be in the direction of making ODA long-term and predictable thus amenable to planning by recipient countries. Aid should be oriented to support the MDG based poverty reduction strategy rather than to support donor driven projects. There is need to deepen and broaden debt relief including canceling the external debt of the poorest SADC region countries and finance new commitments through grants not new loans.

For aid to generally be effective in the SADC region there is need for home-grown institutional competence and transparent budgetary processes to be able to manage the resource flows effectively and avoid the currency overvaluation problem. Aid should now be tailored to long-term poverty needs and the attainment of MDGs rather than short-term agendas of the donor countries.

While debt cancellation has provided financial relief to allow some governments in the SADC region to redirect critical resources from debt repayment to the provision of critical social services, reports such as the Commission for Africa reveals that debt cancellation is inadequate and more resources are required for poor countries to attain the MDGs. It is desirable for developed countries to offer developing countries grants rather than loans for social service provision with minimal conditionalities to avoid undermining local accountability.

6.4 Broad-based, Pro-growth, Pro-poor, MDG-Based and Gender-Sensitive Macroeconomic Frameworks

There is need to adopt sound broad-based, pro-growth, pro-poor, MDG-based, gender sensitive economic policies in the SADC region in the current context of first and second generation Poverty Reduction Strategy Papers (PRSPs) and growth and development strategies. This inclusiveness approach would ensure the participation of usually marginalized groups such as women, youths, the disabled etc. as well as taking on board the two-way link between HIV and AIDS and economic development. Such macroeconomic frameworks will be in line with the NEPAD spirit on development in Africa and at the same time will not suffer the demise of "still" births due to lack of donor support as happened in the earlier decades.

However, the issue of growth and development for the attainment of MDGs is more than the requirement for macroeconomic stability, to include policy imperatives such as debt sustainability, cautious trade liberalization and promotion of fair trade, job creation, promotion of sustainable livelihoods, poverty reduction and good governance. These actions need to be reinforced by stronger international action and partnerships, including reforming trade, delivery of more effective aid and stronger private flows in order to make progress on MDGs. Thus, there is urgent need to realign and reorient domestic policies and institutions including the Poverty Reduction Strategy Papers (PRSPs) and Medium-Term Expenditure Frameworks (MTEFs), and other Macroeconomic Frameworks towards meeting specific MDGs.

Decent Employment Creation

Decent employment creation remains the key link between economic growth, creation of livelihoods and poverty reduction and these elements have to be a major component in the design of macroeconomic frameworks and poverty reduction strategies and interventions for attaining the MDGs. The private sector is a key player in wealth creation and in the decent work agenda.

Gender equality and women empowerment

Given that, generally, in the SADC region, poverty affects women more than men, addressing gender equality and women empowerment in macroeconomic frameworks will lead to policies that are attuned much more effectively to addressing women's economic empowerment, education and health issues such as maternal health, child mortality thus leading to poverty reduction.

6.5 Agrarian Reform

Given that agriculture remains central to the development of the region, the SADC region should pursue comprehensive agrarian reform programmes that include land re-distribution, support to improved agricultural productivity, environmental conservation and creation of decent employment opportunities. Improved agricultural productivity requires timely availability of agricultural inputs such as seed and fertilizer, improved agricultural technology, effective agricultural extension, marketing and distribution services, effective price incentives among other factors. Such programmes need support at both the SADC regional and national levels. Successful agricultural development will ensure food security, foreign currency generation as well as strong backward and forward linkages between agriculture and industry in the SADC region.

6.6 Industrialization and Value Addition

Given that the economy of the SADC region is strong in agriculture and mining, there is need to actively promote value addition in support of the growth of a strong manufacturing sector in the region. Value addition will generate the much needed foreign currency to sustain growth and development in the SADC region thus accelerating the attainment of MDGs. The region's new development models should endeavour to strike a balance between export-led growth and import substitution industrialization for the protection of the SADC region's infant industries against the ravages of globalization. In this regard, there is need to implement clear, small and medium enterprise (SME) growth strategies in the region with the clear vision of growing indigenous private sectors. These SMEs would benefit from having strong backward and forward linkages with bigger and more established companies.

6.7 Efficient Exploitation of Natural Resources (Minerals, water, energy, tourist attractions etc) and Infrastructure Development

Given that the SADC region is well endowed with natural resources such as minerals, water, energy and tourist attractions, there need to design and implement strategies to ensure the efficient and sustainable utilization of natural resources. SADC governments should promote the creation of joint ventures between companies in SADC countries in the exploitation of the region's natural resources to ensure that the returns from these remain in the region.

Infrastructure development remains central to the SADC region's sustainable growth and development agenda for the attainment of MDGs. There is need to intensify the implementation of regional infrastructure programmes in the areas of water and energy development, tourism, transport and communication networks etc to exploit the region's economies of scale.

6.8 Commitment to Combating, Reversing and Mitigating the Impact of HIV and AIDS

Given the fact the SADC region remains the epicenter of the HIV and AIDS epidemic, there is need for more aid and increased public spending to tackle the epidemic in the region. In this regard global partnerships for the provision of anti-retroviral drugs (ARVs) remain critical. Combating, reversing and mitigating the impact of HIV and AIDS may require expansionary rather than contractionary fiscal and monetary policies depending on the circumstances in a particular country. Increased public spending although it may pose challenges for macroeconomic management is unavoidable under such circumstances. Inflation management should not mean curtailing essential expenditures needed for MDGs.

6.9 Human Resource Development

The importance of human resource development has always underpinned Africa's economic development strategies. Given the complexity brought about by the massive brain drain from the region to the North, issues of human resource development including training and capacity development in critical areas such as health, science and technology etc remain a priority in the region. In addition a way should be found to formalize the export of labour to the other region, in a way which benefits the countries of origin of the migrant labour.

6.10 Effective Social Protection Systems

Given that, adjustment of one form or another of the economies of the SADC region remains inevitable, there is always need to cushion those that may be negatively impacted on during adjustment processes. Macroeconomic planning and implementation processes generally take time to yield tangible fruit such that in the context of a region bedevilled by poverty and severe health problems related to HIV and AIDS, there is no substitute for effective social protection systems for some time to come. Social protection is needed to ensure food security, education, health, shelter and other basic needs. Once more there is need for strong partnerships between governments, private sector, civil society and communities in this area.

6.11 Regional Integration

Given that the SADC region consists of a huge market of about 240 million people, there is need to promote economic SADC regional integration particularly in the area of trade and investment in the context of the AU, SADC, NEPAD, COMESA etc. SADC as a body should continue to develop protocols around the core social dimensions of the MDGs. To strengthen delivery, SADC should devise systems of closely monitoring the pledges agreed to in the protocols.

Rules of trade in the region should accommodate the regional context of high mobility of the population in the form of informal cross border traders so that they can trade freely and this will go a long way in reducing poverty.

6.12 Harmonized Regional Data Bases for Development

Up-to-date, harmonized data is critical for designing development strategies and monitoring progress in the SADC region. Given that there is no harmonized regional or SADC regional database for the monitoring of MDGs and development in general, there is urgent need to compile such a database. It is also imperative for national statistical offices in the SADC region to be proactive in submitting recent statistics to the international databases.

7. CONCLUSION

With vibrant economies in the SADC region all MDGs can be achieved. Broad based growth is sustainable unlike enclave growth. Robust economic growth and development increases resources to government, households and communities to reduce poverty. However, governments in the region should continue to protect social sectors (health and education) whether or not high economic growth is generated from the current macroeconomic frameworks and strategies. This is important for the sustenance of human development which remains a prerequisite for sustainable growth and development.

Key areas of focus in economic management and corporate governance in the SADC region include; adoption of sound economic policies which balance the role of the state and the market, creating effective public sector management, having strong political leadership to mitigate the impact of the HIV and AIDS and ensuring public participation in economic policymaking.

****

REFERENCES

African Forum for Envisioning Africa	"Focus on NEPAD:New Partnership for Africa's Development";Mazingira Institute African Academy of Sciences and Heinrich Boell Foundation, Regional Office, East and Horn of Africa:Nairobi, April 2002.
Alternative Information and Development Centre (AIDC)	"The New Partnership for Africa's Development (NEPAD) and the African Union; Unity and Integration within Africa or Integration of Africa into the Global Economy";AIDC South Africa, October 2002.
Chipika J.T. Chibanda S. and Kadenge P. G	"Effects of Structural Adjustment in Southern Africa: The case of Zimbabwe's manufacturing Sector during Phase I of ESAP: 1991-1995"; Southern Africa Regional Institute for Policy Studies (SARIPS); Harare; 1997
Kamidza, R. et al	"The Role of the State in Development in the SADC Region; Does NEPAD Provide a New Paradigm?"; Third World Network 2004.
Mkandawire, T. and Seludo, C. (eds)	African Voices on Structural Adjustment; CODESRIA and International Development Research Centre (IDRC), 1999.
Organization of African Unity (OAU)	Lagos Plan of Action for the Economic Development of Africa, 1980-2000; OAU Ethiopia, 1980.
Stiglitz, E,J	"Towards a New Paradigm for Development Stratergies, Policies and Processes"; UNCTD , Geneva , 1998.
Tawfik R.M.	"NEPAD and African Development; Towards a New Partnership between Development Partners in Africa";Cairo University, Egypt.
United Nations Economic Commission for Africa (UNECA)	The Alternative Framework for Structural Adjustment Programmes for Socio-Economic Recovery and Transformation; ECA, Ethiopia, 1989.
United Nations Economic Commission for Africa (UNECA-SA)	Economic and Social Conditions in Southern Africa 2003: The Challenge of Private Sector Development in Southern Africa; Economic Commission for Africa, Ethiopia; 2005.
United Nations Economic Commission for Africa (UNECA-SA)	"Report on the Progress and Prospects for the Implementation of MDGs in Southern Africa", UNECA-SA Feb. 2007.

APPENDIX

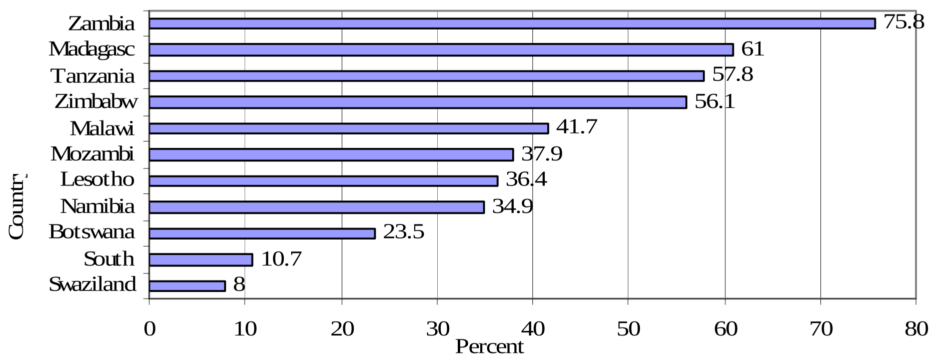
SADC Progress Towards 2015 MDG Targets

MDG 1: Eradicate Extreme Poverty and Hunger

TARGET 1: Halve between 1990 and 2015 the proportion of people whose income is less than US$1 PPP a day.

Harmonized data on poverty level remains scanty as shown in Indicator 1 Table in Appendix II. The SADC region crisis characterized by high levels of poverty, food insecurity and the HIV and AIDS pandemic poses challenges towards the attainment of MDGs. For most of these countries, the target of halving the proportion of the population below the US$1PPP per day seems unachievable except for Mauritius which has no poverty problem. The five SADC countries with the highest poverty prevalences are Zambia (76 percent), Madagascar (61 percent), Tanzania (58 percent), Zimbabwe (56 percent) and Malawi (42 percent), see Indicator 1 graph in Appendix. The poverty situations in Madagascar, Tanzania, Zambia and Zimbabwe are worsening.

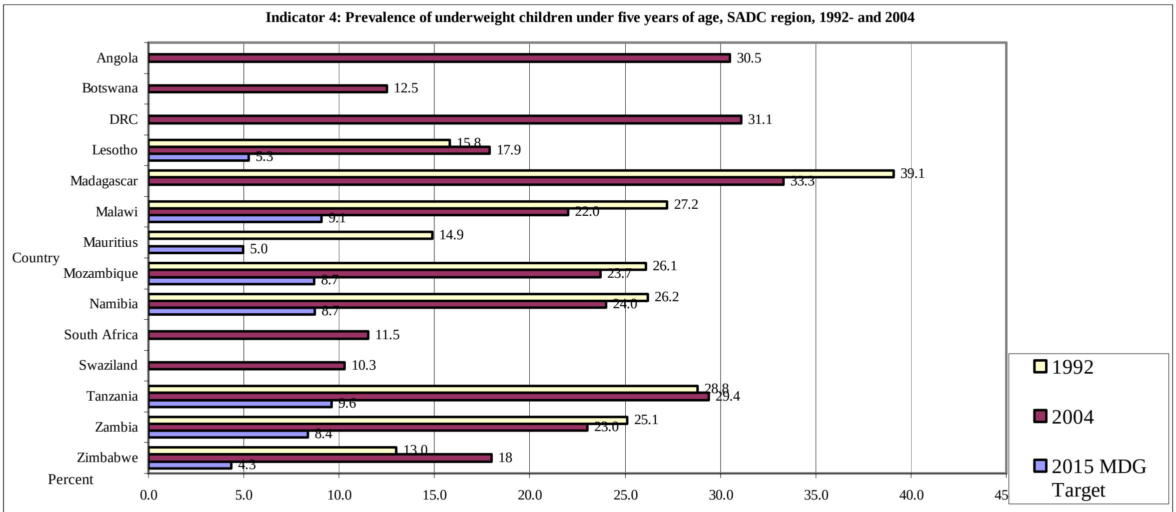
Indicator 1: Proportion of population below $1 PPP) a day, percent , SADC region 1991 -2003, selected years.



Data for Botswana and Zambia is for 2003, South Africa and Tanzania its for 2000, Madagascar 2001 Malawi 1998, Mozambique 1997, Lesotho and Zimbabwe 1995and Namibia 1993.

TARGET 2: Halve between 1990 and 2015 the proportion of people who suffer from hunger.

Malnutrition remains high in the SADC region ranging from 10 percent in Swaziland to 33 percent in Madagascar in 2004. The situation as regards malnutrition is not improving at the expected rate so as to reduce by two-thirds the 1990 level. The top four SADC countries in child malnutrition in 2004 were Madagascar (33 percent), DRC (31 percent), Angola (31 percent) and Tanzania (29 percent). respectively, see Indicator 4 graph in Appendix I. While malnutrition has fallen in Madagascar, Malawi, Mozambique and Namibia and Zambia it has increased in Tanzania, Zimbabwe and Lesotho. There are many data gaps in malnutrition data in the SADC region (see Indicator 4 Table in Appendix II).

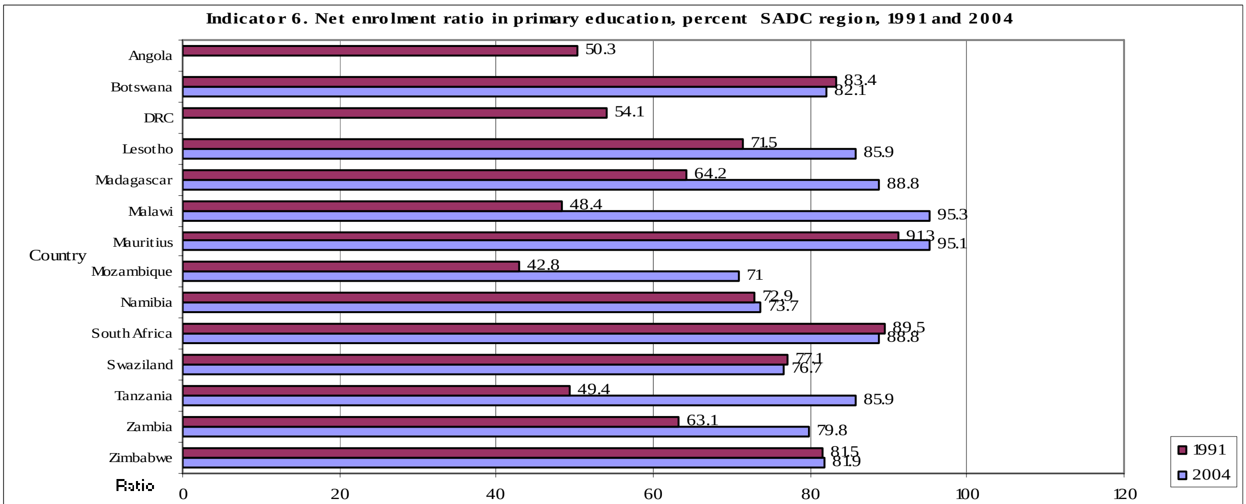


Under 1992, the indicator for Mauritius is for 1995 and that of Zimbabwe is for 1999. Under 2004, the indicator for South Africa and Tanzania is for 1999,Madagascar for 2000, Angola and DRC for 2001, Botswana, Lesotho, Namibia, Swaziland for 2000, and Mozambique,

MDG 2: Achieve Universal Primary Education

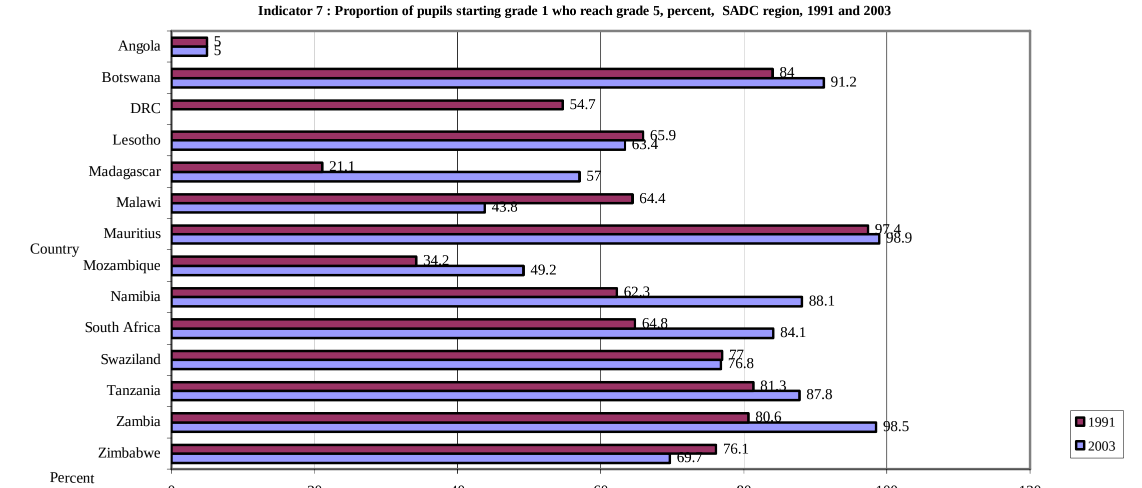
TARGET 3: Ensure that by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling

The SADC region is making great strides in primary education and the 2015 MDG target is likely to be achieved in most countries. Primary school Net Enrolment Ratios (NERs) ranged from 71 percent in Mozambique to 95 percent in Malawi in 2003/2004. The top five SADC countries in NER were Mauritius (95 percent), Malawi (95 percent), Madagascar (88 percent), South Africa (88 percent) and Tanzania (86 percent). The most improved countries in NERs between 1991 and 2004 were Malawi, Tanzania, Mozambique, Madagascar and Lesotho, see Indicator 6 Graph in Appendix.



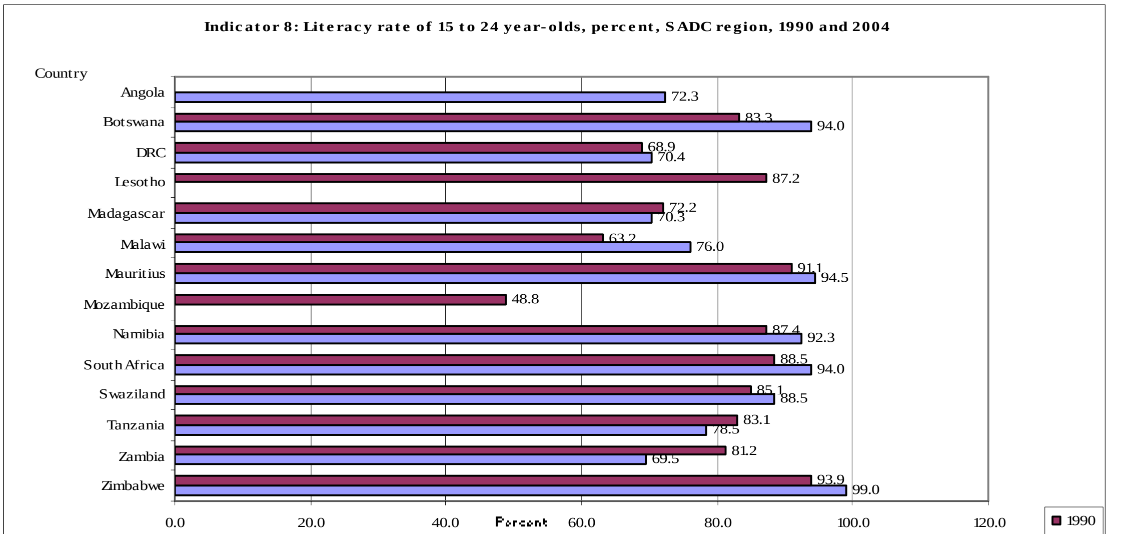
Under 1991, the indicators for Namibia, Zambia and Zimbabwe is for 1999 . Under 2004 the indicators for Namibia, Swaziland, South Africa and Zimbabwe is for 2003.

Internal efficiency has been maintained in the primary education system as Grade 5 completion rates have generally increased in all countries between 1991 and 2002 except in Lesotho, Malawi and Zimbabwe as shown in Indicator 7 graph in Appendix. The top six SADC countries in terms of grade 5 completion rates were Mauritius (99 percent), Zambia (99 percent) Zimbabwe (98 percent), Botswana (91 percent) and Tanzania and Namibia (88 percent each). The most improved countries between 1991 and 2002 were Madagascar, Namibia, South Africa, Zambia and Mozambique. The Grade 5 completion rate for Angola remained constant and very low at 5 percent between 1991 and 2002. The completion rates for Mozambique, Madagascar and DRC also remain very low.



Under 1991, indicators for South Africa and Zambia are for 1999. Under 2004 indicators for Mauritius, Malawi, Mozambique and Zambia are for 2001, indicators for Namibia, Swaziland, South Africa and Zimbabwe are for 2002 and indicators for Angola, Botswana and Lesotho are for 2003.

Literacy rates for the 15-24 year olds remain very high in the SADC ranging from 70 percent each in Zambia, Madagascar and DRC to 99 percent in Zimbabwe in 2004 as shown in Indicator 8 graph in Appendix I. The top five SADC countries in literacy rates for 15-24 year olds were Zimbabwe (99 percent), Mauritius (96 percent), South Africa and Botswana (94 percent each) and Namibia (92 percent). Generally most countries improved their literacy rates and are likely to meet the 2015 MDG target. Exceptions were Madagascar , Tanzania and Zambia which declined.



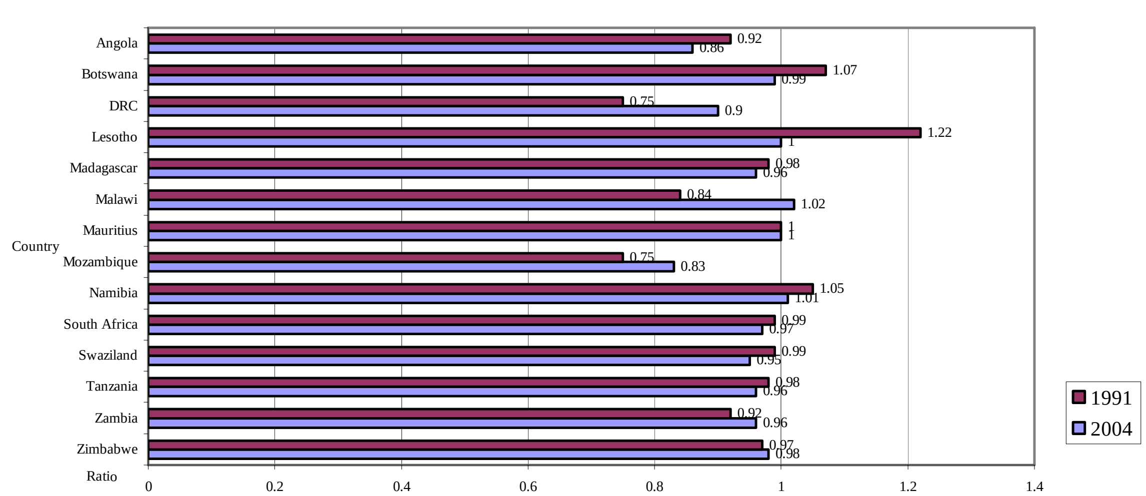
Under 2004, the indicator for Zimbabwe is for 2003.

MDG 3: Promote Gender Equality and Empower Women

TARGET 4: Eliminate gender disparity in primary and secondary education, preferably by 2005 and in all levels of education no later than 2015.

There is near gender parity in primary education in all countries in the SADC region except in Mozambique, Angola and DRC which still have girls to boys ratios of 0.83, 0.86 and 0. respectively, indicating less girls enrolled in primary school than boys, (see Indicator 9a graph in Appendix). The early 1990 situation in Lesotho where there were less boys enrolled in primary school than boys has been reversed.

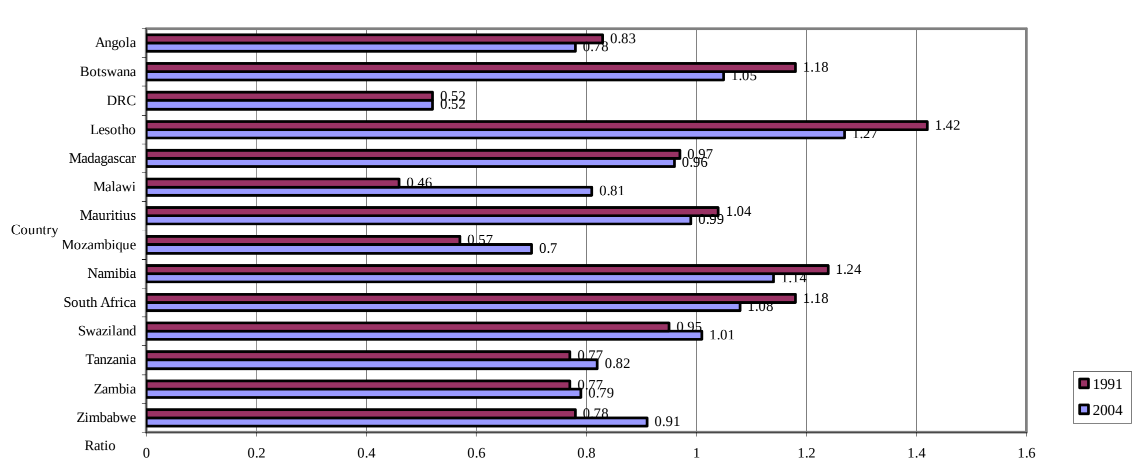
Indicator 9a. Ratio of girls to boys in primary education, SADC region 1991 and 2004



Under 1991, the Zambia indicator is for 1999. Under 2004 the indicators for Angola and DRC are for 1999 whilst those for Namibia, Swaziland , South Africa and Zimbabwe are for 2003.

Gender parity in secondary education has been reached or is likely to be achieved in most SADC countries as shown in Indicator 9b graph in Appendix. However, while most countries are addressing their gender parity situation in secondary education, the following countries still have a significant bias against girls: DRC (0.52), Mozambique (0.70), Malawi (0.81), Zambia (0.79) and Tanzania (0.82) while Lesotho (1.27) and Namibia (1.14) still have a bias against boys. However, it should be noted that at secondary school level, the NERs are generally low such that the issue of concern should not only be to achieve parity but to increase enrolment of both boys and girls. Six out of the ten SADC countries were data is available have secondary NERs less than 30 percent, with South Africa being the highest at 62 percent and Mozambique the lowest at 4 percent.

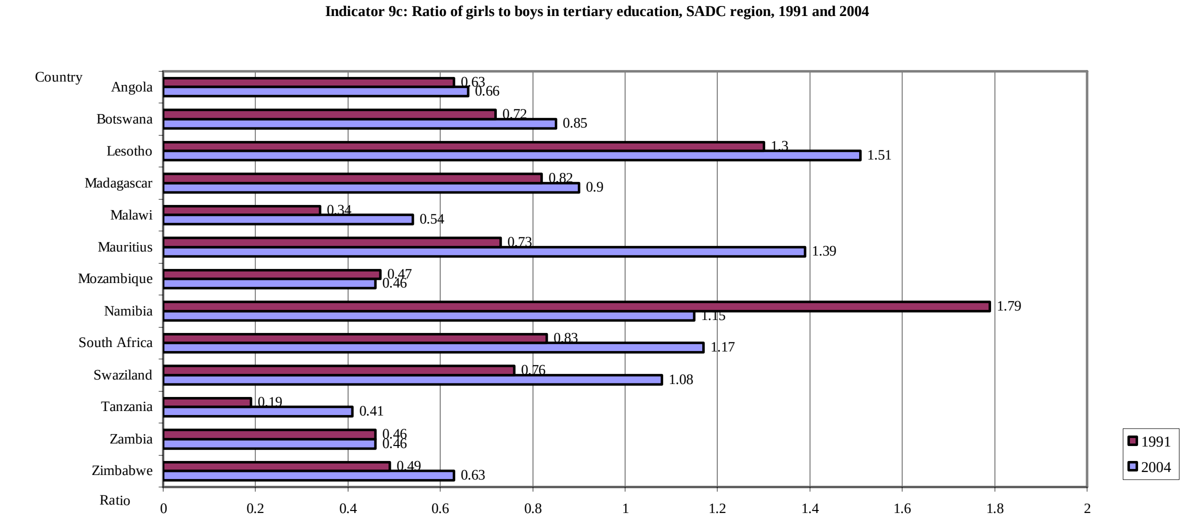
Indicator 9b. Ratio of girls to boys in secondary education, SADC region, 1991 and 2004



Under 1991, the indicators is for Angola, DRC and Zambia are for 1999. Under 2004 the indicators for Madagascar and Tanzania are for 1999, that for DRC is for 2000, Angola for 2001 and those for Namibia and Swaziland and Zimbabwe are for 2003.

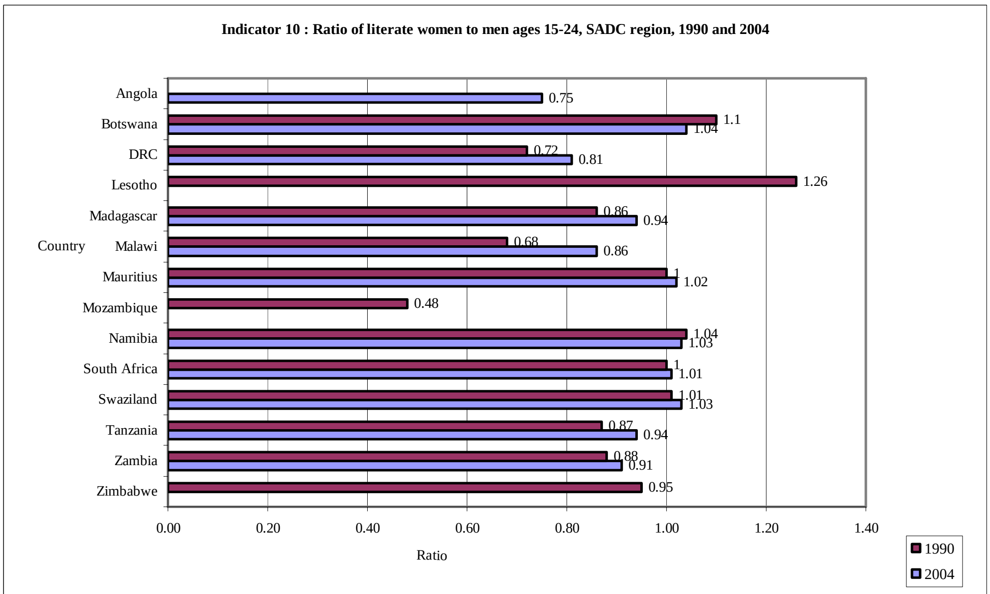
Gender inequality in enrolment at tertiary school level remains a major challenge even though overall there is an improvement in gender parity in tertiary education in the SADC region, see Indicator 9c Table in Appendix . In 2004, 8 out of the 13 SADC countries for which data was available namely Tanzania, Malawi, Mozambique, Zambia, Angola, Botswana and Madagascar had a bias against females whilst 5 countries namely Lesotho, Mauritius , Namibia, South Africa and Swaziland had a bias against boys. There was no data for DRC. The situation in the latter group of countries except

Mauritius is largely to do with males migrating in search of jobs in the South African mines early and loosing the opportunities to continue with education.

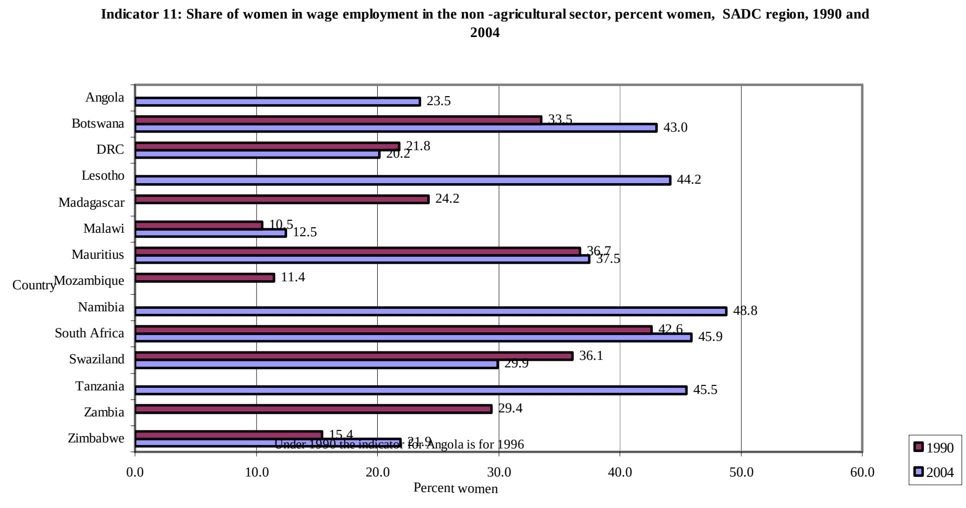


Under 1991 , the indicator for Zambia is for 1991, Angola for 1999 and Mozambique for 2003. Under 2004 ,the indicator for Zambia is for 2000 whilst those for Angola, Lesotho,Namibia, South Africa and Zimbabwe are for 2003.

Gender parity in the literacy of girls and boys aged 15 -24 years is achieved or likely to be achieved in most countries. However, Angola, Mozambique, DRC and Malawi still have significant biases against females, see Indicator 10 graph in Appendix .

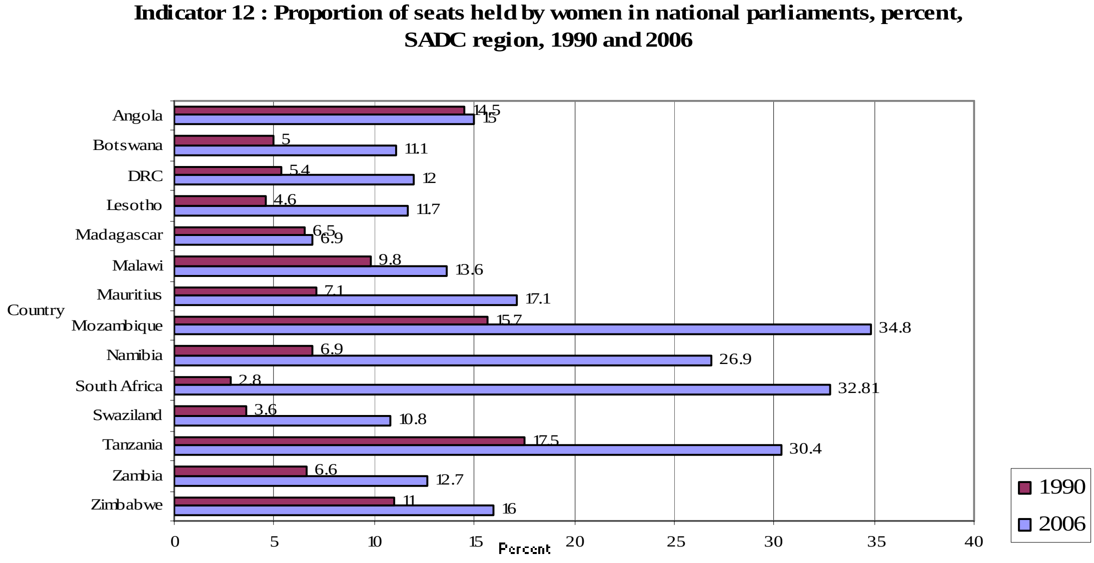


The share of women in wage employment in the non-agricultural sector remains very low in the SADC region ranging from a minimum of 13 percent Malawi to a maximum of 49 percent in Namibia, (see Indicator 11 in Appendix). The overall target of 50 percent by 2015 is not achievable for most countries except Botswana, Namibia, South Africa, Tanzania and Lesotho. The participation of women in the non-agricultural wage increases their opportunities for higher income generation. Most women have remained in the agricultural, household informal sector/household business and in unpaid household work and this has exacerbated women's poverty situation. In Botswana, Mauritius, Malawi, South Africa, and Zimbabwe the share of women in wage employment in the non -agricultural sector has increased between 1990 and 2004 and this is positive for the welfare of women.



Note: Under 2004 the indicator for Angola is for 1996, Lesotho for 1997, Namibia for 2000 and Tanzania for 2001.

More women are in parliaments in all SADC countries today than ever before. However, in most countries women remain vastly under-represented in politics. All countries in the SADC region have seen an improvement in the proportion of women who are members of parliament ranging from an increase of 3 percent in Angola to 1 072 percent in South Africa between 1990 and 2006 as shown in Indicator 12 graph in Appendix . Mozambique has 35 percent of its national parliament seats held by women, followed by South Africa with 33 percent and Tanzania (30 percent). These three countries have already achieved the SADC target of 30 percent share of women parliamentarians by 2005. Namibia has also achieved a high ratio of women parliamentarians of 27 percent. Madagascar with 7 percent has lowest proportion of women in parliament.



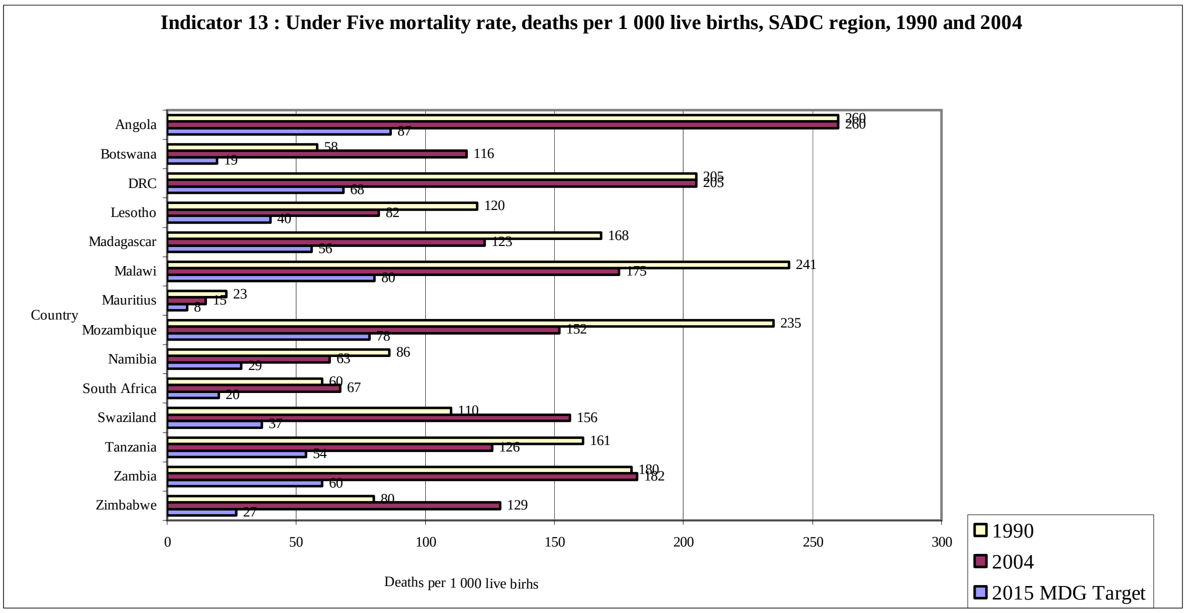
Under 1990, the indicators for Lesotho and Tanzania are for 1997

MDG 4: Reduce Child Mortality

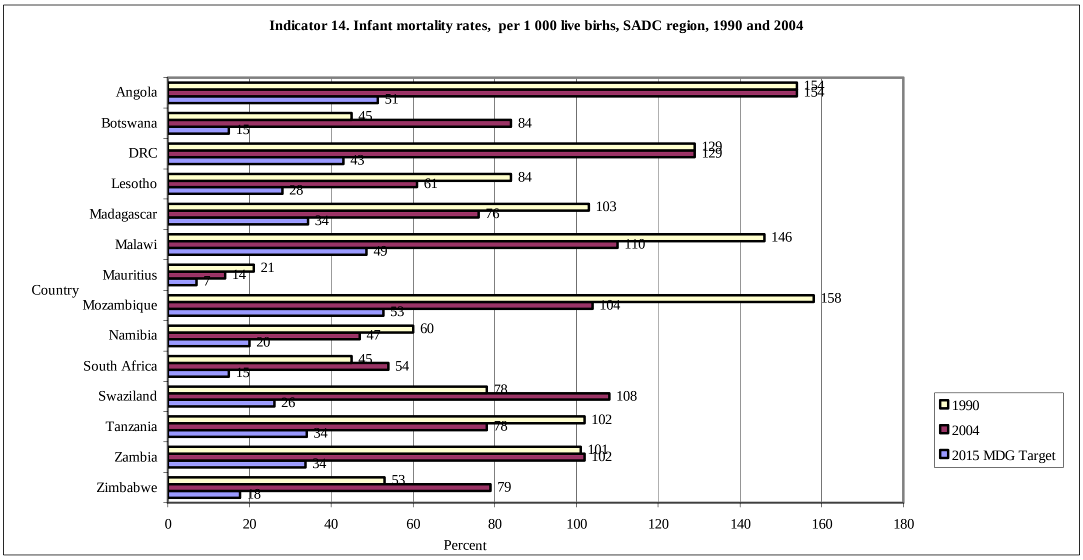
TARGET 5: Reduce by two thirds, between 1990 and 2015, the under-five mortality rate

Under-five and infant mortality rates remain high in the SADC region with 7 countries out of the 14 experiencing declines in mortality but not at a fast enough pace to meet the 2015 MDG target. The infant mortality rate ranges from 15 per 1 000 live births in Mauritius to 260 in Angola in 2004. Five countries namely Botswana, South Africa, Swaziland, Zambia and

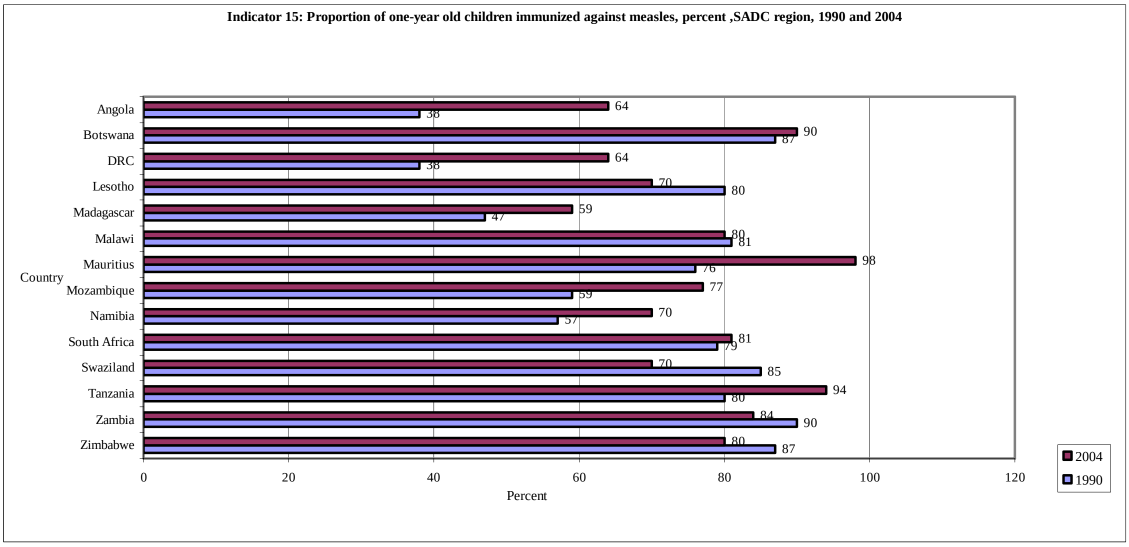
Zimbabwe are experiencing an increase in under five mortality, see Indicators 13 and 14 graphs in Appendix . Under-five mortality was above 110 per 1 000 live births in 10 out of the 14 countries under consideration in 2004.



The trend in the infant mortality rate is similar to that of the under-five mortality rate but with lower levels for most of the countries in the SADC region as shown in the Indicator 14 in Appendix. The infant mortality rate ranges from 14 per 1 000 live births in Mauritius to 154 in Angola in 2004.



Ideally all children should be immunized against measles. The proportion of immunized children ranged from 59 percent in Madagascar to 98 percent in Mauritius in 2004, see Indicator 15 graph in Appendix . The situation has improved between 1990 and 2004 in all countries except Lesotho, Swaziland, Zambia and Zimbabwe, see Indicator 15 Table in Appendix.

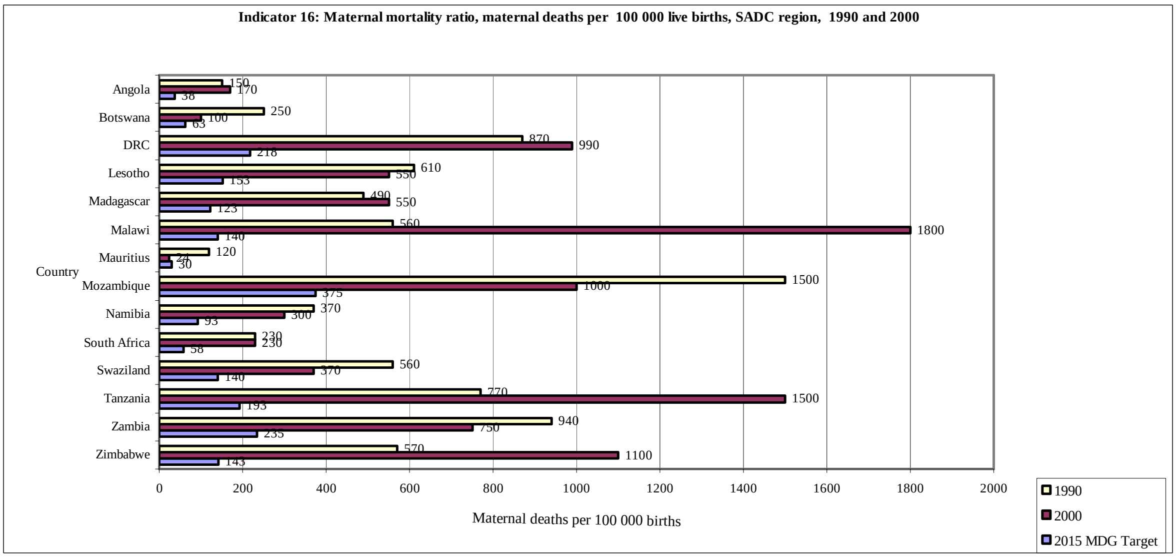


MDG 5: Improve Maternal Health

TARGET 6: Reduce by three quarters, between 1990 and 2015, the maternal mortality rate.

Maternal mortality remains high and is falling at a painfully slow rate in half of the SADC countries and this is combined with alarming increases in three countries namely Malawi, Tanzania and Zimbabwe, (see Indicator 16 graph in Appendix). The top five SADC countries in high maternal mortality in 2000 were Malawi (1 800 maternal deaths per 100 000 live births), Tanzania (1 500), Zimbabwe (1 100), DRC (990) and Zambia (750) Some countries in the SADC The 2015 MDG target of reducing by three quarters the maternal mortality ratio will not be met by most countries in the SADC region. Mauritius with the lowest maternal mortality ratio of 24 has achieved its 2015 MDG target of 30. The general fall between 1990 and 2000 is reflective of the improvement in health systems during the early 1990s and the increase from 1995 onwards into the recent alarming maternal mortality rates is reflective of the HIV and AIDS impact.

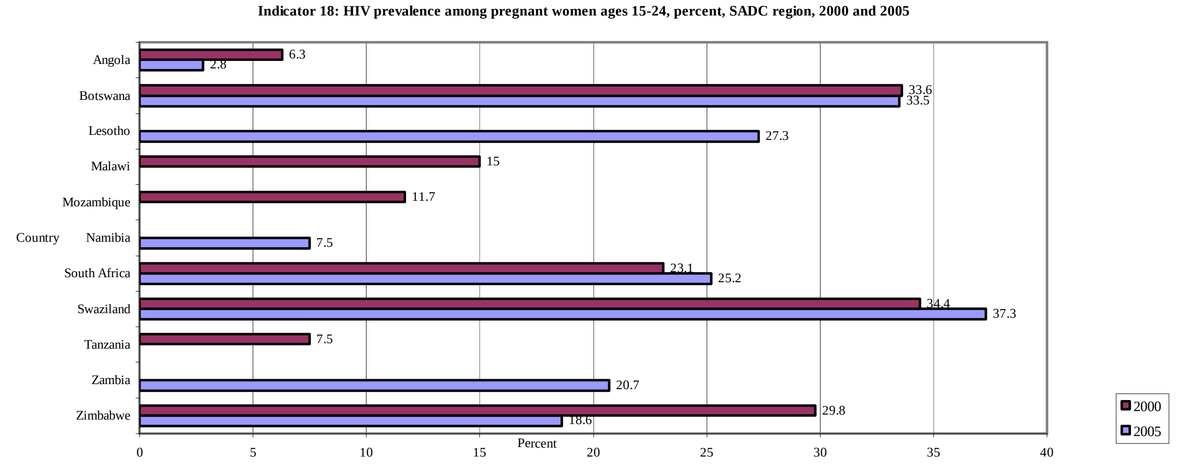
Data on the proportion of births attended by skilled personnel is scanty. Up to 2003, the proportion of births attended by skilled personnel remained too low in the SADC region. Mauritius and Botswana had very high (98 percent and 94 percent) respectively births attended by skilled personnel. The proportions in Zambia (43 in 2002), Angola (45 percent in 2001), Tanzania (46 percent in 2005) and Mozambique (48 percent in 2003) are too low.



MDG 6: Combat HIV and AIDS, Malaria and other Diseases

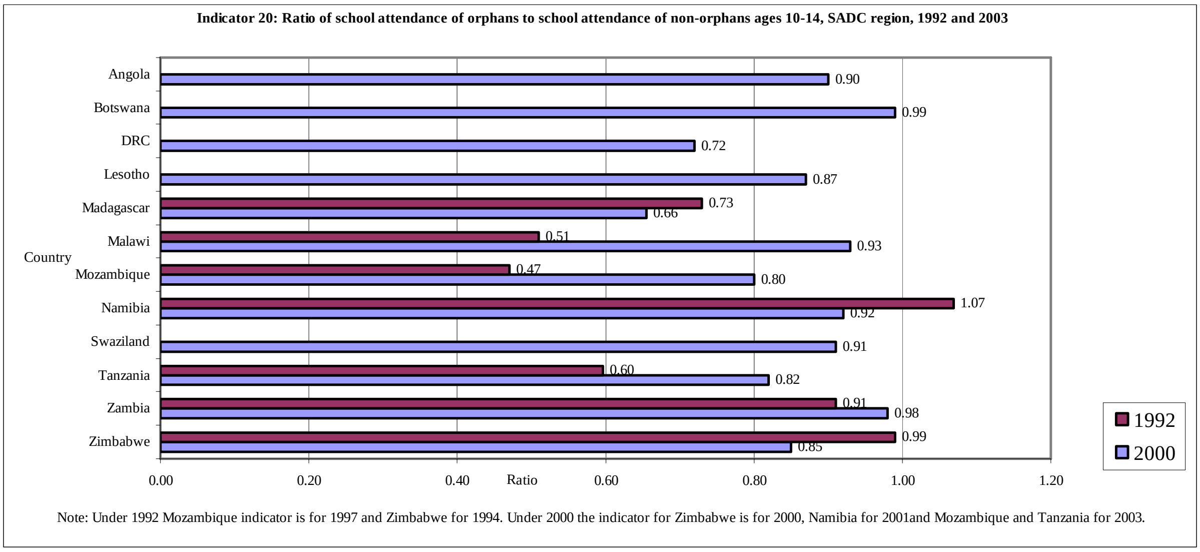
TARGET 7: Have halted by 2015 and begun to reverse the spread of HIV and AIDS

Data on HIV prevalence in the SADC region is scanty and start in 2000/2001, see Indicator 18 Table in Appendix. The SADC region remains the epicenter of HIV and AIDS with HIV prevalence still recording double digit and on the increase in most countries in the SADC. Swaziland has the highest HIV prevalence in pregnant women aged 15-24 years of 37 percent in 2005 whilst Angola has the lowest prevalence of 3 percent. Botswana's situation has remained stable but at a very high prevalence of 34 percent in 2004. However, Zimbabwe has registered a significant decline in HIV prevalence between 2000 and 2005. Zimbabwe had an HIV adult prevalence rate of 24.6 percent in 2003 and it had declined to 20.1 percent in 2005. However, the recent DHS results gave an adult HIV prevalence rate of 18.1 percent in 2005/6 [4]. These results show a decline in HIV prevalence, the first such decline The SADC region.



Under 2000, indicators for Angola, Malawi, South Africa and Zimbabwe are for 2001. Under 2005, indicators for Angola, Namibia, South Africa, Swaziland, Zambia and Zimbabwe are for 2004

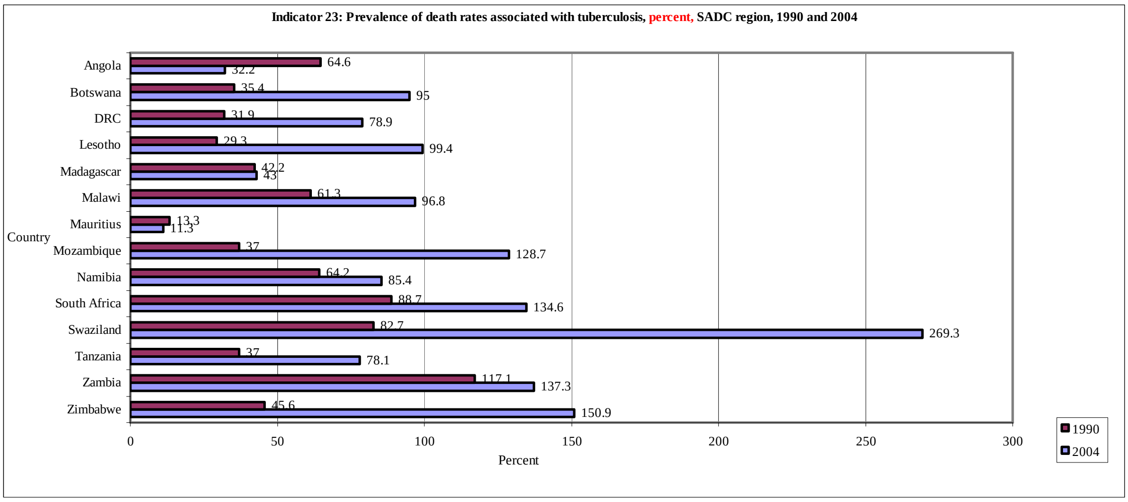
Data on orphan school attendance is also scanty. Given the high HIV prevalence in the SADC region and limited access to anti-retroviral drugs, the orphan burden is known to be on the increase in most countries. Although school attendance by orphans is generally very high, a notable proportion of orphans continue to be disadvantaged in terms of school attendance in most SADC countries.



The situation has even worsened between 1992 and 2003 in countries such as Madagascar, Namibia and Zimbabwe, (see Indicator 20 graph in Appendix). Malawi, Mozambique and Tanzania have registered great improvements in the attendance of school by orphans. Orphans in DRC are the most disadvantaged in the SADC region. The 2015 MDG target of universal school attendance by orphans is achievable.

TARGET 8: Have halted by 2015 and begun to reverse the incidence of malaria, TB and other diseases

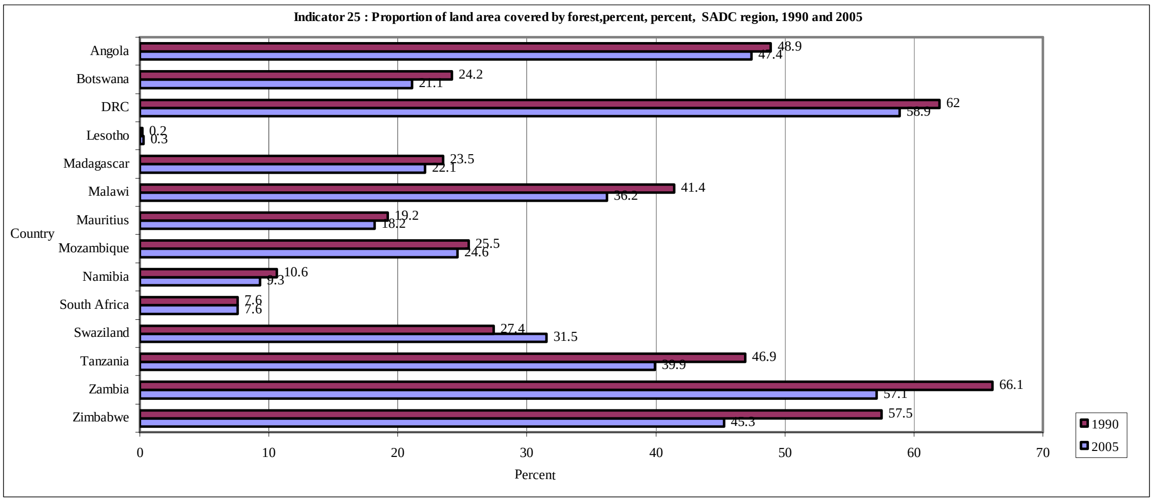
With HIV and AIDS the prevalence of deaths rates associated with tuberculosis have been increasing in most countries in the SADC region since 1990 with 12 out of the 14 countries recording increases as shown in Indicator 23 Graph in Appendix. In 2004 Swaziland had the highest prevalence of 269 per 100 000 population and Mauritius the lowest of 11 per 100 000 population. The 2015 MDG target of halting and reversing may not be achievable.



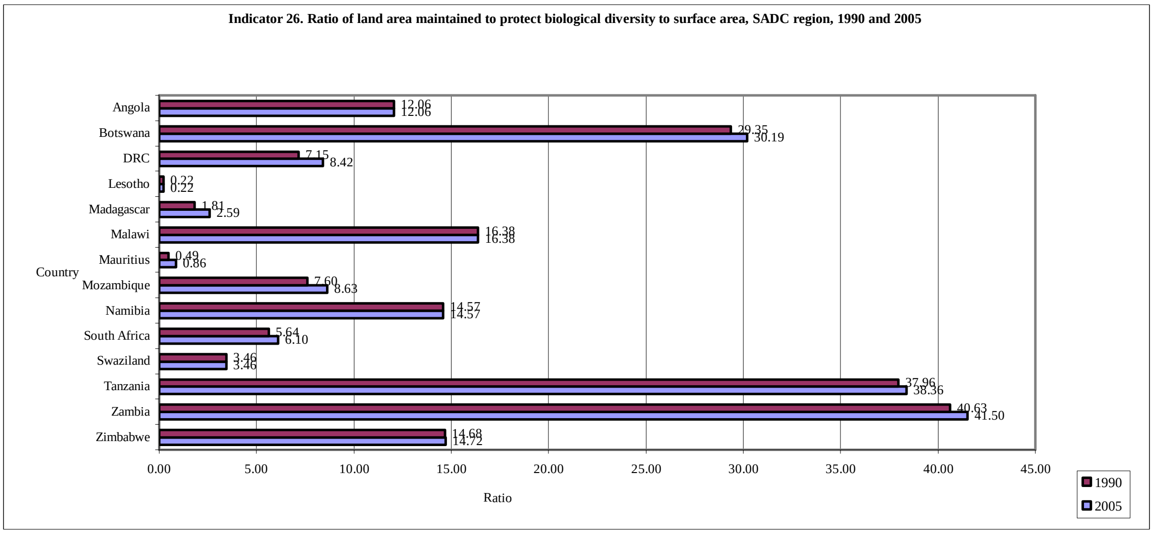
MDG 7: Ensure Environmental Sustainability

TARGET 9: Integrate the principles of sustainable development into country policies and programmes and reverse the loss environmental resources.

The proportion of total land area covered by forest has been falling in 11 out of 14 SADC countries between 1990 and 2005 signifying deforestation except in South Africa, Swaziland and Lesotho as shown in the Indicator 25 graph in Appendix. Zimbabwe has the highest deforestation between 1990 and 2005 of 21 percent whilst Angola had the least deforestation of 3 percent. At this rate the 2015 MDG target of reversing the loss of environmental resources may not be achieved in the SADC region.

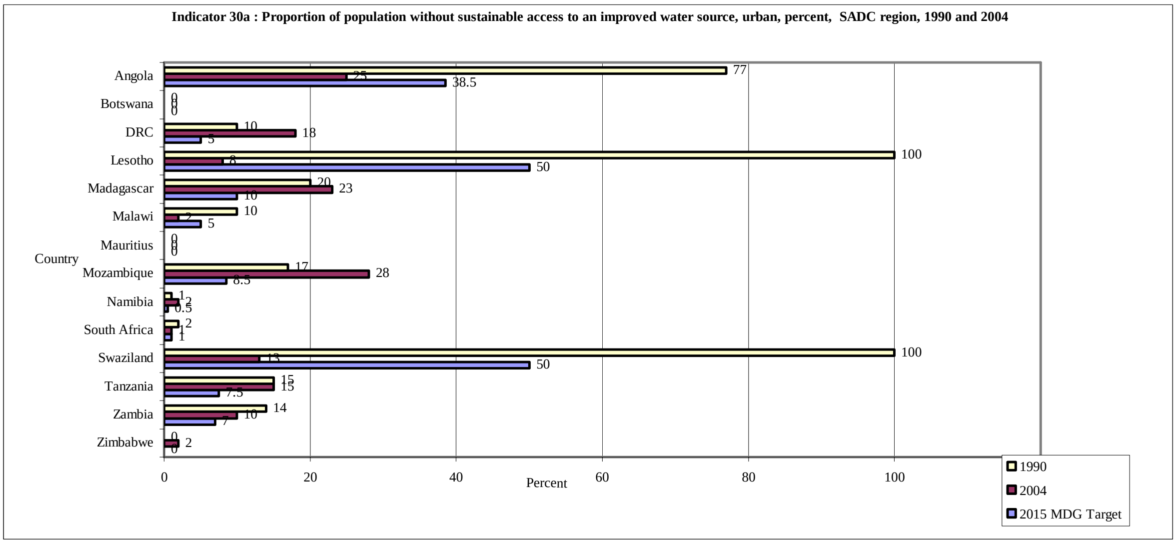


Biodiversity data appears to be estimates and projections rather than actual annual series. The proportion of land area maintained to protect biological diversity is slightly on the increase in the SADC region with most countries maintaining stable proportions and the rest slightly increasing. Zambia has the highest ratio of land area maintained to protect biological diversity to surface area in the SADC region of 42 percent and Lesotho (0.22 percent) have the lowest, see Indicator 26 graph in Appendix.

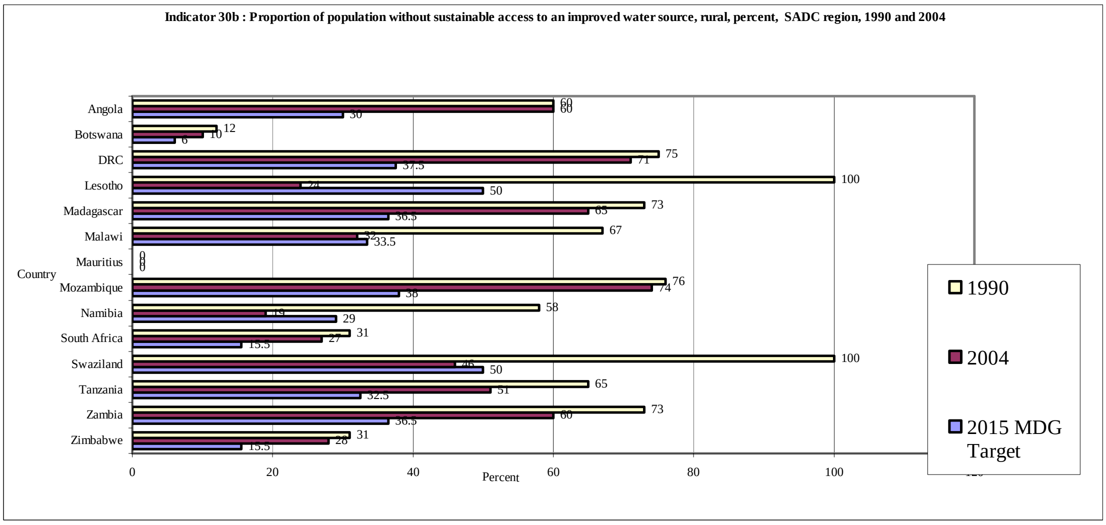


TARGET 10: Halve by 2015 the proportion of people without sustainable access to safe drinking water and sanitation

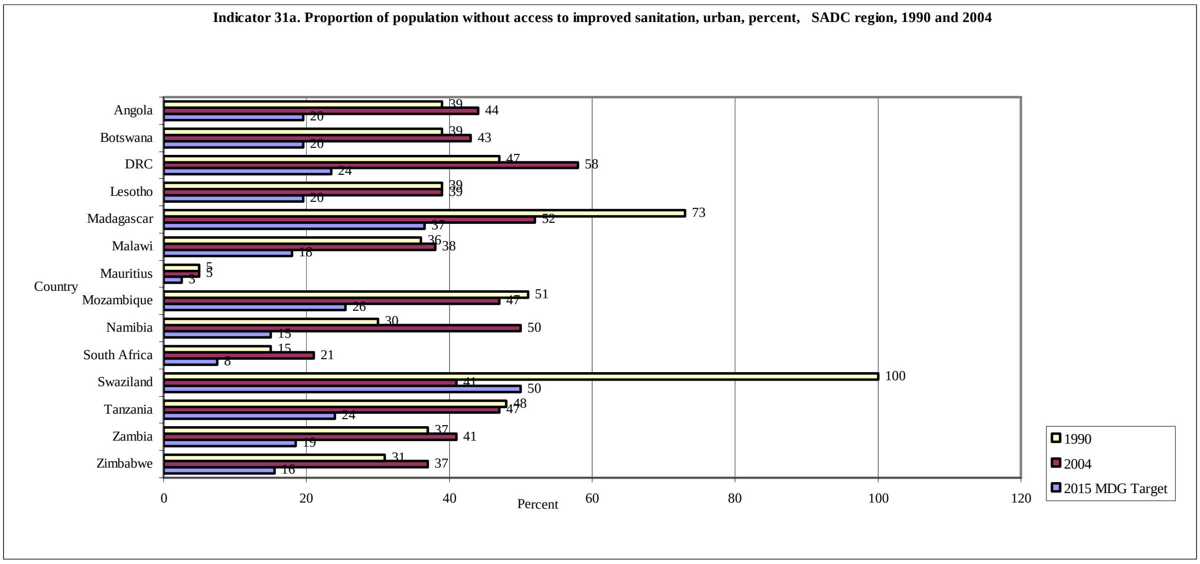
Urban and rural indicators on the proportion of people without sustainable access to safe drinking water and sanitation are only available for 1990 and 2004. In 9 out of the 14 countries, Angola, Lesotho, Swaziland, Botswana, Mauritius, South Africa, Malawi, Namibia, Zambia and Zimbabwe sustainable access to an improved water source in urban has been achieved, (see Indicator 30a graph in Appendix). However, DRC, Madagascar, Tanzania, Mozambique and Namibia still have to improve their urban water situations if the 2015 MDG targets are to be met.



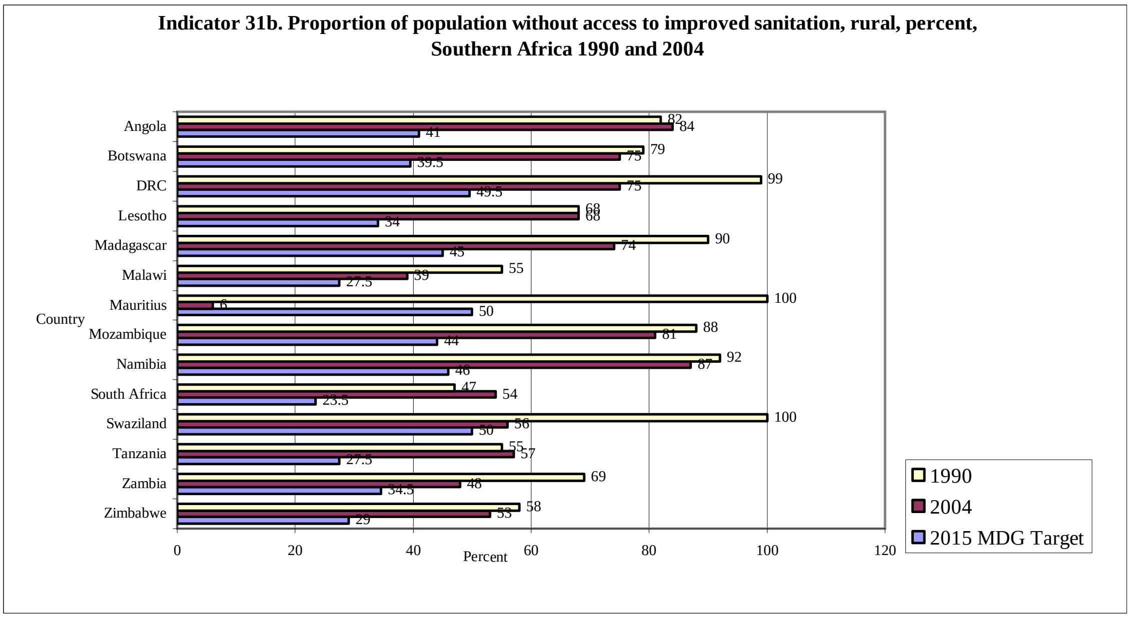
Sustainable access to an improved water source in the rural areas remains a challenge in the SADC region. This reflects mainly inadequate investment and poor maintenance. However, all countries have seen an improvement in the sustainable access to an improved water source in rural areas, (see Indicator 30b Graph in Appendix). Namibia and Malawi have managed to halve their 1990 proportions of persons without access to an improved water source by 2004. Mauritius and Botswana are on course while DRC, Madagascar, Mozambique, South Africa, Tanzania, Zambia and Zimbabwe are improving but not enough to meet the 2015 MDG targets. Mozambique and DRC percent with 74 and 71 percent respectively of their rural population without sustainable access to an improved water source in 2004 are very far from their 2015 MDG targets.



Most SADC countries (8 out of 14) are experiencing a decline in access to improved sanitation in urban areas with the exception of Madagascar, Mozambique, Swaziland, Tanzania which have improved. The situation in Lesotho and Mauritius has remained constant, see Indicator 31a graph in Appendix. Only Swaziland and Madagascar are likely to meet their 2015 MDG improved sanitation targets in urban areas. With the exception of Mauritius with 95 percent access to improved sanitation all the other SADC countries have low access below 90 percent.



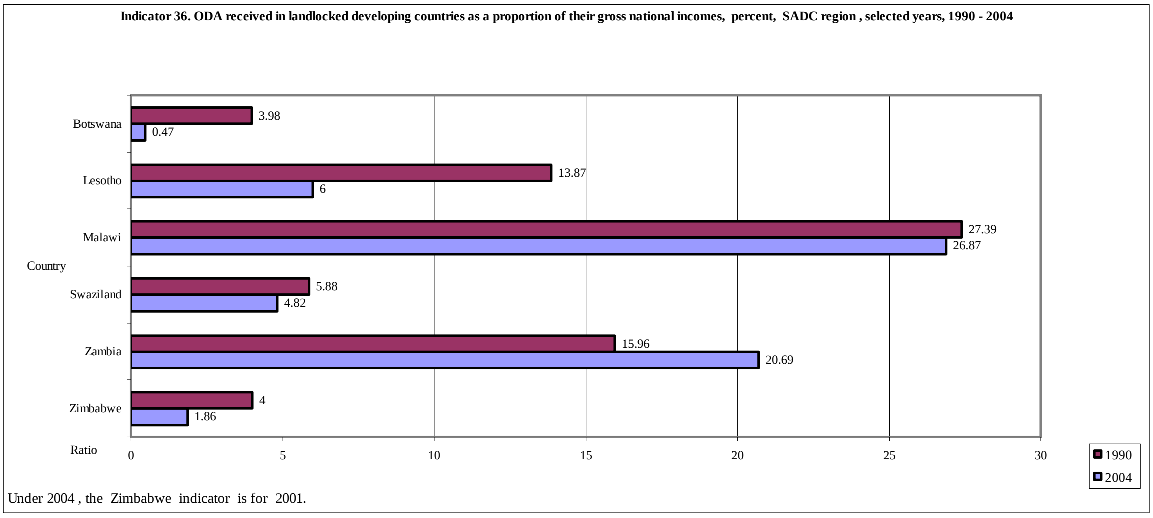
Most SADC countries (10 out of 14 countries) are experiencing a rise in access to improved sanitation in rural areas except Angola, South Africa and Tanzania where access is worsening. However, the 2015 MDG targets for improved sanitation in rural areas is unlikely to be achieved in the SADC region. For 11 countries out of the 14 SADC countries rural access to improved sanitation remained very low at less than 50 percent as shown in Indicator 31b graph in Appendix. Mauritius had the highest proportion (94 percent) of the population with access to improved sanitation and Angola (16 percent) the lowest in 2004.



MDG 8: Develop a Global Partnership for Development

TARGET 12: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system. Includes commitment to good governance, development and poverty reduction.

Official development assistance (ODA) to landlocked countries in SADC is declining with most countries experiencing this decline between 1990 and 2004. Malawi and Zambia remain favourite destinations for ODA while Botswana and Zimbabwe are the least favoured destinations for very different reasons though as shown in Indicator 36 graph in Appendix.



TARGET 15: Deal comprehensibly with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term

Debt burden is still relatively high in the SADC region with about five of the countries experiencing high double digit debt service ratios and these include Angola, Botswana, Malawi, Zambia and Zimbabwe as shown in Indicator 44 graph in Appendix . Most these countries with a double digit debt service ratio have also experienced an increasing burden overtime. Seven countries namely DRC, Madagascar, Malawi, Mauritius, Mozambique, Tanzania and Zimbabwe have experienced declining ratios.