

News Overview

Ahead of the G20 meeting in Washington DC on 15th November, G20 officials agreed this weekend that developing nations should have a greater role in tackling financial and economic crises, although there remains no consensus as to how this could be achieved. Following a visit to Africa last week President of the European Parliament, Hans-Gert Pöttering, called upon the EU to remember its commitments to developing nations.

As the violence continues in the eastern DRC, Laurent Nkunda has reiterated his threat to overthrow the DRC government unless the President agrees to talks. An emergency summit was convened in Nairobi last Friday, attended by the UN Secretary-General and African leaders, Joseph Kabila and Paul Kagame. Shortly before the summit, Olusegun Obasanjo was appointed as UN special envoy tasked with helping defuse the crisis. A number of reports on the causes of the violence point to unethical business practices fuelling the crisis. Certain minerals used in computers, cell phones, and jewellery are mined in the region, and there is no ethical code impacting the international supply and demand for these minerals.

The MDC has rejected a proposal by southern African leaders to break the impasse in the formation of a power-sharing government in Zimbabwe. Eight weeks after it was first proposed that the MDC and Zanu-PF share power in a coalition government, the SADC Summit was called to break an impasse over the formation of a cabinet and in particular who controls the ministry of home affairs.

Rupiah Banda was sworn in as Zambia's president last week after a narrow election win.

Algeria's parliament will vote on Wednesday on a new constitution lifting presidential term limits, which would allow President Abdelaziz Bouteflika to seek a third term.

The Reserve Bank of Zimbabwe has returned \$7.3 million in misused grant money to the Global Fund To Fight AIDS, Tuberculosis and Malaria.

The World Bank and IMF have come under fire for failing to adequately promote transparency in extractive industry operations in resource-rich countries.

Financial Crisis Overview

The financial crisis has drawn a range of heavyweight commentators into the debate.

Writing in the FT, **George Soros** blames the "pernicious asymmetry" of the global financial system in which "the so-called Washington consensus imposed strict market discipline on other countries but the US was exempt from it". He calls for the US to show the way in protecting vulnerable economies.

Meanwhile **Paul Krugman** in the New York Times warns that emerging markets, once viewed as islands of safety amid the financial storm, may now become the "second epicentre" of the global crisis.

Jeffrey Sachs, writing in The Guardian, points out that "Europe and the US have mobilised around \$3 trillion for the banks but failed to mobilise even one thousandth of that this year to help the world's poorest grow more food." Setting out a four-pronged reform agenda, he states that a new US President "may finally mark the moment when the world takes seriously the urgent global economic and environmental agenda that confronts us".

For **Daniel Bradlow** in The Mail & Guardian, the upcoming Washington Summit presents an opportunity for Africa: "if the continent begins preparing now, it can use these negotiations to advance African interests by building elements into a new global financial governance regime that are more responsive to the development needs of all African countries."

Featured Quote

"Your victory has demonstrated that no person anywhere in the world should not dare to dream of wanting to change the world for a better place"

Nelson Mandela, former President of South Africa, in a letter to Senator Obama congratulating him on winning the US Presidential elections.

Source: BBC News: In quotes: [US election reaction](#)

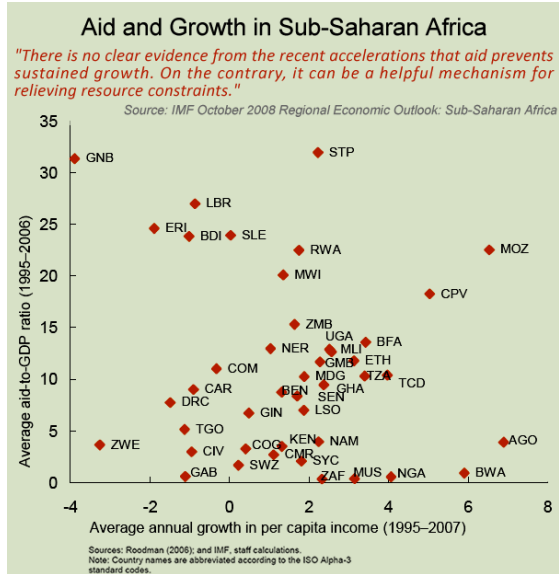
Editorial

The election of Barack Obama is generating great hopes in Africa and among those pressing for maintenance and even increase of development assistance by rich countries to Africa. However, as in other G8 and OECD countries, the domestic economy is his top priority. Notwithstanding our own and others, efforts, it may be some time before the Obama administration feels able to match the increases in assistance to Africa overseen by its predecessor. The prospect is of low cost development initiatives – rationalization of US development architecture, for example.

The G20 meeting in Washington on 15th November, and the Doha meeting on Financing for Development at the end of this month, are generating more attention than concrete ideas. Both take place during a 'lame duck' period in the US. The APP is doing what it can to ensure that African interests and needs are represented at both events in any redesign or evolution of global architecture and to reinforce the importance of strengthening mutual accountability between Africa and its partners. Above all, poor people and countries should not be penalized as rich countries manage the fallout from the financial crisis.



Featured in [The Mail and Guardian](#) on 7 November 2008



G8 Update

Social sectors

- [UK - Dfid: UK calls for new drive on HIV research with new £220 million fund](#)
- [Japan - G8 Hokkaido Summit Follow-up - International Conference on Global Action for Health System Strengthening](#)

Economic growth

- [UK - Dfid: Boosting business in the world's poorest countries - From 2009-2013, three-quarters of the CDC's new investments must now be in Low Income Countries](#)

Governance and accountability

- [France - Bernard Kouchner and David Miliband call on the Democratic Republic of Congo to restart the Goma and Nairobi peace processes](#)

Financial flows

- [Germany - Preparations for G20 Summit](#) - Angela Merkel states that the crisis on the markets is a global problem that can only be resolved at multilateral level.
- [EU - President of the European Commission, Statement on the outcome of the US Election](#) - "We need a new deal for a new world. I sincerely hope that with the leadership of President Obama, the United States of America will join forces with Europe to drive this new deal".
- [Italy - Italy is planning to cut ODA by about 50% next year, and a further 7% in 2010 and 2011](#) - In 2009 Italy plans to focus on the inclusion of emerging economies, rather than major new initiatives and financial commitments.

Opinions

The last fortnight has seen a wealth of comment on the economic crisis and its impact on Africa. Kofi Annan, Michel Camdessus and Robert Rubin co-authored an opinion piece warning that G8 governments must not forget their commitments to the MDGs amid the financial crisis. The piece has been printed in the Financial Times (UK), Libération (France), La Repubblica (Italy), Vanguard (Nigeria), The Daily Nation (Kenya) and The Daily Graphic (Ghana). It will also appear in Le Soleil (Senegal) later this week.

Business Day in South Africa calls for politicians to address the crisis, and an editorial in Nigeria's Vanguard highlights the importance of supporting SMEs in difficult times. An opinion piece in Kenya's Daily Nation calls for the elimination of punitive non-tariff barriers to global trade.

The election of Senator Obama as the next US President has also provoked much discussion, with the New Vision in Uganda warning that developing nations shouldn't expect too much, too soon from the new administration.

[Financial Times: Amid the turmoil, do not forget the poor](#)

[Business Day \(South Africa\): Time our politicians stared at the storm](#)

Steven Friedman states that South African politicians "are rarely if ever pressed to say what they will do about the global economic crisis which is already affecting our daily lives".

[Vanguard \(Nigeria\): Fighting Poverty With SMEs](#)

This editorial states that attention to the SMEs in Nigeria, and indeed Africa, has become mandatory with the prevailing uncertainties in the economy. However, doors to credit are firmly shut against them.

[Daily Nation \(Kenya\): Eliminate punitive non-tariff barriers to global trade](#)

Hasmukh Dawda, Chairman of Global Allied Industries, states that "a consensus is emerging that the momentum towards a more open global trading system has dissipated since the Doha World Trade Organisation meetings of 2001".

[Business Day \(South Africa\): New Era of Hope](#)

Celebrating the election of Senator Obama as the next US President, this editorial states "Obama's main gift to Americans and the world is hope, a close cousin to confidence".

[New Vision \(Uganda\): If Obama Could Then Africa Can](#)

Editorial warning that "as the world celebrates, the Developing World should not expect immediate windfalls from the Obama administration".

Multilateral & Policy

World Bank

- [World Bank Group 2008 Global Poll](#) - Improving economic conditions for the world's poorest people remains both a top priority and the largest development challenge.
- [World Development Report, "Reshaping Economic Geography"](#)

United Nations

- [IRIN: Financial crisis could cut official aid by 30%](#)
- [FAO bi-annual Food Outlook](#) - The FAO has warned that the impact of the current financial crisis on the agricultural sector could mean a surge in food prices.
- [Ban Ki-moon calls for protecting environment in times of conflict](#)
- [Wilfried Lemke, UN Special Adviser on Sport for Development and Peace, highlights sport's role in bringing peace in West, Central Africa](#)

IMF

- [Film: 'Can Africa ride out it's food crisis?'](#) - Dominique Strauss-Kahn warns that we must not forget about 'the other crisis' - food shortages in Africa. Mark Plant, Deputy Director of the African Department of the IMF states that African leaders will have to respond to the effects of the economic crisis.
- [World Economic Outlook](#) - IMF forecast cuts world growth by three quarters of a percentage point to 2.2% for 2009. IMF says policies to stimulate growth can help cushion downturn.

OECD

- [OECD calls for Aid Pledge from donor countries](#)

Calendar

- 12.11.08** High-Level Ministerial Meeting by the AfDB, the AU and the ECA, Tunis - "Financial Crisis: the impact on Africa"
- 16.11.08** Guinea-Bissau: Parliamentary Elections
- 17.11.08-18.11.08** 11th Meeting of the African Partnership Forum: Addis Ababa, Ethiopia - "Monitoring Progress in Partnership"
- 29.11.08-02.12.08** UN Financing for Development Review Conference: Doha, Qatar- "Looking ahead: Mobilizing domestic financial resources for development"
- 30.11.08** Côte d'Ivoire: Presidential Elections

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