

REGIONAL REPORT – NIGERIA



Aid to sub-Saharan Africa: Perennial Handouts or a Regional Development Program? A New and Important Role for Project Management!

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In spite of years of aid to sub-Saharan African countries, there is little progress in many countries in almost every aspect of economic development. Indeed, there is hardly anything to show for the large investments over the years. It becomes logical and necessary to ask whether the perennial and ongoing monetary and physical aid to sub-Saharan Africa constitutes charitable and philanthropic handouts or whether they should be designed to achieve regional development of sub-Saharan Africa.



This is the Christmas season and inevitably in developed countries many governments, charities, aid organisations, and persons set aside gifts for the poor in their cities. Should such perennial handouts be the goal of the aid or should it be to achieve sustainable regional economic development? In sub-Saharan Africa the people in this region should be able to “do their fishing and feed themselves” instead of depending perpetually on aid handouts, which represent the proverbial “fish” caught by the developed world and given to them as charity.

Handing out aid as a charity

During the Christmas festivities, donors are happy that the poor and those sleeping rough eat and take away whatever gifts they receive. They are not bothered by the fact that the same persons may come back for every subsequent meal. Unless the poor are sent to rehabilitation centres where they are taught to fend for themselves, they will remain perpetual recipients of the handouts of free meals and clothes. Inevitably, this appears to be the pattern of aid reception in sub-Saharan Africa. Every year governments, local agencies, and persons receive aid and yet have been unable to achieve any sustainable development. Local infrastructures and systems that should help them produce the goods that will emancipate them from perpetual dependence on foreign aid remain undeveloped.

Sustainable Development and Millennium Development Goals

Whatever the current implementation program of aid by donors is supposed to achieve, it has clearly not achieved sustainable development in the region. This is demonstrated by the lack-lustre performance of sub-Saharan African countries in the implementation of Millennium Development Goals, as summarized in the appendix of this paper.

Which Way Forward – Joint Responsibility for Success



As the achievement of sustainable development should be the overriding objective of aid programs, concerted efforts must be made to find a more successful approach for achieving this laudable and overdue objective. Donor countries should not and cannot be satisfied with the present performance. Mr. Timothy Ogden, an officer in Geneva Global, a consulting firm that advises wealthy donors on how to spend their gifts effectively, observes that many clients are tired of giving and not accomplishing anything.⁽¹⁾

It appears realistic to suggest that both the donors and the recipients have a responsibility to ensure the success of the aid scheme. Therefore, efforts should be made to find a process for giving aid that will lead to sustainable economic development in the region. In this context, it should be relevant to explore options that could deliver such a result. Some of them include the following:

1. Problem of lack of money:

Professors Jeffrey Sachs of University of Columbia and Peter Singer of Princeton University suggest that the problem of the poor countries is that they do not have enough money. Professor Sachs recommends wealth transfer as the approach to meet the Millennium Development Goals deadline. He suggests that if \$189 billion could be transferred to the countries before 2015, the goals could be met.⁽¹⁾

Without being overly pessimistic, one could say that if the sum were available to be distributed to respective African countries, the problem might not be solved. Why? Experience indicates that some of the distributed money could end up in foreign bank accounts. It is no longer news that many former and probably present leaders of African countries have stacked away much money stolen from their countries in foreign banks. For example, the late General Sani Abacha, a former military leader of Nigeria (pictured at right), is accused of sending \$2 billion abroad. About \$645 million has been returned from Swiss banks to Nigeria for projects being supervised by foreigners and Nigerians. It is certainly day-dreaming to assume that General Sani Abacha was the only Nigerian leader of his generation to launder money overseas. Other African leaders are not left out of the crime. They include Mobutu, Haile Selassie, Samuel Doe, Charles Taylor, etc.



2. Joint development visions and use of opportunities among development partners and stakeholders.

Oikos Development Consulting Limited, Domzale, Slovenia, a company formed in 1989 with the core function of working and implementing sustainable regional development, recommends that one of the key requirements for regional development is the existence of joint development visions. The preparedness of development partners and stakeholders to utilise opportunities available to achieve regional development is critical.

With all good conscience, I cannot say that development visions truly exist among many African leaders of this generation. Unfortunately, the situation is self first while national or regional interests takes a back seat. In some countries, wars are fought to seize political power and control. The elections, while democratic in name and appearance, may be manipulated to get some people into power at all costs, irrespective of the will of the people. It is therefore incompatible with the realities of everyday experience to describe all the leaders as so dedicated and envisioned to achieve regional development that they will exploit all available opportunities to achieve it.

Whilst it is not correct to tar every African leader with the same brush of corruption, pragmatism dictates that we cannot rely on our underdeveloped political institutions to achieve sustainable economic development. It is clear over the years that dependence on these institutions to deliver on the desired development has accentuated the status quo and delivered little.

Driving home this point, Mr. Adam Meyers, president of Philanthropy Roundtable says: "We need to ask ourselves: What are the institutions that help people come out of poverty?" He continues: Unless we can bring "the rules of law and accountable government" to the Third World, he argues, there is no reason to believe that giving money will matter very much."⁽¹⁾

Without belabouring the point, many sub-Saharan African political leaders have not shown that they are subject to the laws of their countries as are their compatriots. Their indiscipline and lack of accountability manifest in many ways including the stacking away of their country's revenue in foreign banks, as stated earlier. Even in 2006, it is on record that UK law enforcement agencies were able to arrest at least two Nigerian state governors over money laundering. Happily, the local law enforcement agency, the Economic and Financial Crimes Commission (EFCC), set up by the Nigerian government, has been doing a fine job of detecting and investigating financial frauds, including the excesses of rulers.

3. A Pilot Program for Achieving Regional Development in sub-Saharan Africa Using the Disciplines of Project Management

Project Management can be defined as the application of knowledge, skills, tools, and techniques to achieve agreed goals or objectives within the constraints of time,

budget, and resources. Regional Development is the development of a region, economically, politically, socially, etc., to ensure the development and improvement of the quality of life in the region.

We suggest that a pilot program should be carried out to try out a new approach to aid donation. If the program succeeds, it should be used as a template for aid giving and applied widely. The philosophy of operation of the pilot could be as follows:

1. A group of donors could channel their resources through the World Bank or any other UN Agency with a view to using their aid jointly to maximum effect in sub-Saharan.
2. A program management committee in the agency could assemble a pilot team consisting of dedicated and experienced persons from donor and receiving nations who have a vision for economic development.
3. The committee should define some development goals that need to be achieved in a defined geographical area.
4. Pilot team should be provided with the resources they require.
5. The duration of the pilot program, with clearly specified start and end dates, should be clearly agreed by the committee and the pilot team.

Implementation of the Pilot Program

1. The pilot team could be encouraged to set up a project management office (PMO) consisting of experienced project managers.
2. The PMO is charged with designing projects that should be used to achieve the goals. (Projects offer the opportunity within the region to pull together all stakeholders to execute the vision and strategies of executive management and political leaders in order to create the value promised by taxpayer investments).
3. PMO executives will list potential projects and use enterprise project management software that has the functionality of project portfolio management (PPM). With the PPM they can develop project selection criteria.
4. They will plan, and implement the projects using the enterprise package and professional project management principles.
5. Enterprise PM will provide visibility, accountability and transparency of all operations of the projects in the enterprise being handled by the pilot.

The Pilot Program when shown to be successful over time, about five years of operations, could be the harbinger or the nucleus of a sub-Saharan Africa Regional Development Agency (SREDA).

Case for a sub-Saharan African Regional Development Agency (SREDA)

It is instructive that even in a well developed democracy such as the United Kingdom, the government has set up regional development agencies to achieve the desired development goals. The Regional Development Agencies (RDAs) were set up by the British Government to promote sustainable economic development in England. They are business led. Their main tasks are to help the English regions improve their relative economic performance and reduce social and economic disparities within and between regions. To illustrate further, the Northwest Regional Development Agency (NWDA) leads the economic development and regeneration of England's Northwest and is responsible for:

- Supporting business growth and encouraging investment
- Matching skills provision to employer needs
- Creating the conditions for economic growth
- Connecting the region through effective transport and communication infrastructure
- Promoting the region's outstanding quality of life

There are also Regional Development Agencies in Yorkshire, North east, West Midlands, East Midlands, East England, South West England, South East England, and London in the UK.

A second example is the Brussels Regional Development Agency – BRDA. This is a statutory body of the Brussels-Capital Region created in 1974. It is active in two fields, namely economic expansion and urban renewal. In economic expansion, the agency has the role to support economic development and employment in the Brussels-Capital Region. Whilst in urban renewal, its mission consists of producing middle-income housing residences for inhabitants with average incomes in districts with low levels of residential construction, with the aim of retaining or bringing back residents to these districts.

Recommendation

Given the underdeveloped political institutions in sub-Saharan Africa and the little returns by way of economic development, in spite of years of aid investment which are inevitably traceable to corruption and lack of accountability, the regional development agency model appears an attractive and relevant option. The discipline of enterprise project management can introduce transparency, accountability, and a structured approach to projects delivery with checks and balances. The pilot program should expose the problems intrinsic in projects implementation in the sub-Saharan political and economic systems. Donors, recipients and other stakeholders should have much to learn from the model that will improve their subsequent operations.



Lastly, this model can provide a visible process and institution which can serve as a vehicle for aid implementation. Such a vehicle can be comprised not just of Africans but also interested stakeholders from the donor countries. Not only do they have a stake in the

development of Africa, but also a responsibility to ensure proper and verifiable utilisation of funds and resources.

APPENDIX ⁽²⁾

Performances of sub-Saharan African in the Implementation of the Millennium Development Goals

Goal 1: Eradicate extreme poverty and hunger

Result: Global poverty rates are falling, especially in Asia, but millions more people have sunk into poverty in sub-Saharan Africa.

Goal 2: Achieve universal primary education

Result: Five developing regions are approaching universal enrollment but in sub-Saharan Africa, less than two thirds of children are enrolled in primary schools. Eight of ten children out of school live in sub-Saharan Africa

Goal 3: Promote gender equality and empower women

Result: Gender gap is closing slowly in the primary schools. However, women represent a smaller share of the wage earners. They lack equal representation at the highest levels of government and industry. For example, they occupy about 16 percent of parliamentary seats worldwide.

Goal 4: Reduce under-five child mortality target by two-thirds between 1990 and 2015

Result: Almost half of all deaths among children under age 5 occur in sub-Saharan Africa. There is a lack of progress because of weak health systems, conflicts and wars, and AIDS.

Goal 5: To improve maternal health target by reducing by three quarters the maternal mortality ratio between 1990 and 2015.

Result: In sub-Saharan Africa, the probability of dying during pregnancy or childbirth over a lifetime is 1 in 16, compared with 1 in 3,800 in the developed world.

Goal 6: Combat HIV/AIDS, malaria and other diseases, and halt and reverse the spread of HIV/AIDS by 2015.

Result: HIV prevalence remains high in adults of ages 15-49, in sub-Saharan Africa. In sub-Saharan Africa, 7 out of 100 adults are living with HIV. In some Southern African countries, more than a quarter of the adult population are HIV-positive.

Goal 7: Ensure environmental sustainability by integrating the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources. Provide access to safe drinking water.

Result: Forests are disappearing fastest in the poorest regions. Most countries have agreed to implement international accords for sustainable development but progress is slow. Access to safe drinking water has improved worldwide. In sub-Saharan Africa, where 42 per cent of the population does not have such access, the obstacles to progress include conflict, political instability and low priority assigned to

investments in water and sanitation. There is also the problem of high population growth rates.

Goal 8: Develop a global partnership for development. Aid is critical for the poorest countries while middle-income countries benefit more from trade.

Result: Generally, aid targeted to the Millennium Development Goals has doubled since the mid-1990s. About half of the aid goes to basic education, health, water and sanitation, and promotes gender equality and women's empowerment. However, the share devoted to agriculture and physical infrastructure has diminished. These two sectors need more support if countries are to be able to feed their own people and build their economies.

References:

- (1) The references to Professors Singer and Sachs of Princeton and Columbia Universities respectively, and to Mr. Adam Meyers of the Philanthropy Roundtable, and Mr. Ogden of Geneva Global are from pp. W8 of the Wall Street Journal, 22-26 December 2006, article entitled "Teach a Man to Fish."
- (2) Information on the Millennium Development Goals is from a UN report published by Kofi Annan in 2005.



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