

Improving the Environment for Intercontinental Exchanges

Volume 1 Issue 2/Summer 2003

The Chimera, monster of Greek mythology, part lion, part goat, and part dragon, is a symbol for fantastic ideas and "the creation of imagination."



Inside this Issue

African Foreign Affairs Dialogue With the U.S.: Education for Democracy

By Dr. Gwendolyn Mikell Council on Foreign Relations

Americanizing Africa and Democratizing the World?

By Dr. Ali A. Mazrui Institute of Global Cultural Studies

15 The Paradox of National Unity in Diversity

By Dr. Wa'Njogu J. Kiarie Yale University

19 The Future Generation of Global Information and Communication Technology (ICT)

By Dr. Manny C. Aniebonam Nigerian IT Professionals in the Americas

25 Unified Financial Services Regulation

By Dr. Kenneth K. Mwenda The World Bank

30 Benefits of Embryonic Stem Cell Research

By Dr. Udo Schuklenk
University of the Witwatersrand
South Africa
and Mr. Jason Lott
University of Alabama at Birmingham



/olume 1, Issue 2/Summer 2003©

Published by: USA/Africa Institute Chairman/President: Honorable Matthew J. Meadows Secretary/President Elect: Dr. Donna Elam Executive Director: Peter Harris Managing Editor: Karema Tyms Harris Journal Editors: Fredrick Hicks, Mandla Mbatha Circulation & Production Manager: Amy Houston

Graphic Design: Uzzell Advertising Circulation: ADG Business and Governmental Consultants

Contributors:

Dr. Gwendolyn Mikell Council on Foreign Relations Dr. Ali A. Mazrui Institute of Global Cultural Studies Dr. Wa'Njogu J. Kiarie Yale University Dr. Manny C. Aniebonam Nigerian IT Professionals in the Americas Dr. Kenneth K. Mwenda The World Bank Dr. Udo Schuklenk University of the Witwatersrand South Africa

University of Alabama at Birmingham

Address all correspondence to:

Mr. Jason Lott

USA/Africa Institute 204 South Monroe Street, Suite 203 Tallahassee, FL 32301 Telephone:(850) 205-8723 Facsimile: (850) 224-4630 www.usaafrica.org

ChimeraTM is interested in original manuscripts concerning US-African relations within the following core areas: diplomacy, health, technology, economic development, education and culture. The Institute reserves the right to select, reject or edit contributions. Contributions may be sent via e-mail to Chimera@usaafricá.org The Institute accepts no responsibility for unsolicited materials.

Chimera[™] is a copyrighted publication and all rights are reserved to the USA/Africa Institute. Reproduction in whole or in part without the written permission of the Publisher is strictly prohibited. The views expressed in the articles are intended to stimulate thought and exchanges. They are the sole opinions of the authors and not necessarily those of the USA/Africa Institute.

Publisher's Note

We are very pleased to present this, the second issue of ChimeraTM. The inaugural issue was well received and we have worked diligently to produce another issue worthy of your perusal. From the very beginning, ChimeraTM was designed to stimulate thought and dialogue. In that regard, we believe that we have exceeded all expectations. Now, we must focus on harvesting the energy generated by the thoughts and discussion.

With much of the world's attention focused on the "war on terror" and the Middle East peace process, the end to these conflicts in this strategic region of the world remains unknown. Undoubtedly, the values we hold and the choices we make today as countries, as individuals, as scholars and as business people in this global village can have an enormous impact on our neighbors near and far. People of African descent all over the world have an opportunity to determine how Africa will develop. Nations will review their relationships with other nations to determine the best pathways in the New World Order and develop the institutions to cope with the changes that will result.

Whether it is the internal disposition and control of epidemic viral outbreaks like SARS in Asia; the threat of nuclear proliferation in North Korea; the guarded optimism about benefits of free trade agreements in the Americas or unification objectives in Europe, at the end of the day, Africans will directly or indirectly feel an impact in this age of globalization.

In this issue, you will see a compilation of subject matter which, in our opinion, is brilliant and engaging. We are honored to feature the writings of

Dr. Gwendolyn Mikell who focuses on prioritizing the foreign policy dialogue among nations within the continent and with the United States. There is also a comprehensive piece by Dr. Ali A. Mazrui, in which he explores three very distinct waves of "democratization" and its overall impact on Africa.

Our core area discussion would not be complete without an in-depth review of trends in the health and technology sectors. Dr. Udo Schuklenk and Jason Lott share their views regarding embryonic stem cell research and the development of this nascent industry; Dr. Manny C. Aniebonam delivers a thought provoking piece on information and communications technology. He highlights Africa's IT standing and actions it must undertake to effectively compete in the global economy.

From a historical perspective, Dr. Wa'Njogu J. Kairie directs our attention on a fundamental component of human existence calling upon linguistic diversity to define that which unites individuals and nations. And finally, the significance of unified financial systems as debated by Dr. Kenneth Mwenda is featured in this issue.

The people of Africa and the Diaspora all over the world have a unique opportunity to learn from these developments and transmit their knowledge back to Africa for the betterment of the continent. Our ability to establish institutions that effectively manage global changes is paramount. Focused and committed leadership is necessary for the ideas to have positive consequences in both regions.



African Foreign Affairs Dialogue With the U.S.

Education for Democracy

By Dr. Gwendolyn Mikell

At no time in the past has it been more possible and more important for the United States to engage African countries in foreign policy dialogues, which is an important element in education for democracy. Prior to the 1990s, the opportunities to do so did not really exist, because African countries were still caught up in the webs of neo-colonial linkages or cold war politics. African countries were also focused on economic restructuring and stabilization according to the prescriptions elaborated by the international financial institutions, and had little space for consideration of foreign policy concerns. However, the end of the cold war and the unfortunate American 'retreat from Africa'1 coincided, leaving in their wake unresolved conflicts born of the colonial and cold war competitions. While these conflicts wreaked havoc in fragile African states, they also provided the impetus for African countries to begin dialogues with each other about how to contain the chaos, and this triggered off a new phase in African thinking about conflict resolution on the Continent. The new capabilities for African regional peacekeeping through ECOMOG were born of the Liberian and Sierra Leonean conflicts, or the need for it was recognized as a



result of the Congo and Great Lakes crises flared. These conflicts pushed first the Organization of African Unity (OAU) and then the African Union (AU) to think creatively about mechanisms to engage the continent in security collaborations as well as other kinds of development initiatives like NEPAD. There is no doubt that Africans are now convinced that they must engage each other in policy dialogues for the good of the Continent.

The new challenge is to encourage foreign policy dialogues between African countries and western powers like the United States.² In the United States, there are active constituencies like those that backed the passage of the African Growth and Opportunity Act (2001) for increased trade with Africa, or those that supported HR 1298 for action against HIV-AIDS (2003). They are mobilized through networks of scholars-activists,³ through smaller independent associations and non-governmental organizations, through foreign affairs networks that debate the relevant issues with policy makers, and through lobby groups that apply pressure on Congress and



international organizations for funding. But there are very few significant African non-governmental institutions through which such foreign affairs dialogues can occur. The well known United Nations Economic Commission for Africa (UNECA) has provided a top-level venue for global discussions of African problems and issues. Then, at the intergovernmental level, the Global Coalition for Africa (GCA) tries to "bring together top African policymakers and their partners in the international community to build consensus on Africa's priority development issues."4 These are critical and essential functions, but these official venues do not allow the broad based citizen input that is essential to shaping policy in democratic societies. The question is how such broad based foreign affairs networks can be encouraged.

Here, an interesting dilemma presents itself. From independence through the 1990s, both the structures and dynamics of Sub-Saharan African states did not encourage the formation of foreign affairs institutions and foreign policy networks that existed apart from the state. Throughout the 1980s, African societies were grappling with the weak structures of states inherited from the colonial regimes, and inadequate institutional structures to allow popular representation. The emergence of autocratic leaders, and the succession of military governments, could and did occur because of the absence of alternative institutions to offset the strong military structures inherited from the

From independence through the 1990s, both the structures and dynamics of Sub-Saharan African states did not encourage the formation of foreign affairs institutions and foreign policy networks that existed apart from the state. Throughout the 1980s, African societies were grappling with the weak structures of states inherited from the colonial regimes, and inadequate institutional structures to allow popular representation.

colonial regimes. Not until the 1990s, when African popular demands for competitive elections were supported by western development partners and international financial institutions, could Africa begin to build the kind of civil society institutions and structures that could reinforce democracy, and provide channels for the emergence of popular opinion.

Some active, but government controlled foreign affairs institutes existed in countries with strong autocratic leadership, whether elected or military (Cote d'Ivoire, Nigeria, South Africa, etc.). These, while serving as the mouthpiece of government interests, also provided a small channel for educated researchers to do a delicate dance as they commented on cold war and regional dynamics. But these institutes did not challenge authoritarian national leadership, nor encourage more expansive foreign policy dialogues. It is no coincidence that independent foreign affairs institutions appeared first in the 1990s in countries that succeeded in moving from military governance and apartheid to elections (Namibia, Ghana, South Africa, Uganda, etc.). For the first time, these few institutions were free to air the voices of critical scholars and policy experts, and they often presented a regional or continental focus as they discussed policy issues. In a number of countries, democratic elections opened up space for the creation of new organizations for dialogue on national problems that required policy solutions, on new approaches to dealing with regional



relations, or on relations with western powers and 'development partners.' For example, in Ghana the dominance of Flight Lt. Rawlings within the Provisional National Defense Council (PNDC) prevented the emergence of civic organizations focused on policy issues, except those that were the natural outgrowth of the church or of government employment.

Organizations such as teachers' associations, labor organizations, legal and media organizations were harassed into compliance or out of existence. Independent civic societies were suppressed, much as competing political parties were outlawed. However, after elections, new organizations arose to challenge the former dominance of the December 31st Women's Movement (headed by Nana Rawlings, wife of the President).⁵ Electoral dynamics, civil-military relations, and relations with international aid organizations and development partners that were formerly channeled through government or December 31st, now were subjected to closer and more liberal scrutiny by organizations like the Center for Democracy and Development (CDD).⁶ In Nigeria, the American response to the aborted 1993 election and the subsequent rule of General Sani Abacha was the discontinuance of aid to government or quasi-government institutions, and the channeling of funds into the liberal and pro-democracy organizations, most notably National Democratic Coalition (NADECO).7 Other such organizations like Women In Nigeria (WIN) and the International

Federation of Women Lawyers (FIDA) made major contributions to education for democracy by informing the public about constitutional and rights issues; and still other ones like International Conflict Research (INCORE) began to discuss peace and conflict resolution strategies. Likewise, in South Africa, the 1994 elections after the ending of apartheid opened up space for a plethora of new institutions like Institute for Securities Studies (ISS), African Center for Constructive Resolution for Disputes (ACCORD), and the Foundation for Global Dialogue. In other select places (Ethiopia, Kenya, Uganda, Botswana, etc); the new organizations began to stimulate democratic conversations within and outside the country, engage in foreign affairs training, or to debate the new directions that were needed for regional and global relations.

Obviously, older research and educational institutions producing knowledge on foreign affairs did exist. In some places, a few institutions established soon after independence have survived and continued foreign policy research, although they were not able to encourage public dialogue during the earlier, repressive periods. In Nigeria, the Nigerian Institute of International Affairs, which was taken over by government in 1971, continued to analyze Nigeria's regional and global relationships, but usually with an angle that favored the military government. South African institutions that functioned during the apartheid period – could not address issues from perspectives significantly

outside the government philosophy until after 1990. The Human Sciences Research Council, founded by the South African government in 1968, is the largest social science research institution in Africa. However, its narrow interpretation of its subjects and constituency was reworked in the early 1990s to focus on problems and issues of importance to the new South Africa, and to the Southern African Development Community (SADC). The African Institute of South Africa also continues "to remove the legacy of its apartheid past," by participating in the training of social scientists and knowledge in all disciplines, and by "collecting and disseminating information on African affairs."8 However, another set of liberal institutions that have always had considerable foreign policy potential are the scholarly ones, some of which have extensive track records. The Council for the Development of Social Sciences Research In Africa (CODESRIA) has a thirty year track record of training scholars, and engaging scholars from all parts of the continent in discussions, research, and publication on issues of importance to African national and policy development.9 Its written products often form the basis of information used for global policy dialogues. Likewise, the African Association of Political Science (AAPS) has continued to structure study groups encourage dialogue on new issues like "Africa's options in globalization," and African conflicts. 10 While this institution was held suspect by many African govern-



ments with authoritarian leadership in the 1970s and 1980s, it came into its own as a venue for dialogue on political subjects in the 1990s.

For their part, the new institutions and organizations are actively engaged on issues affecting the nation and the region, and many of them do so with financial support from international foundations, western governments and development partners, members who pay dues, and the sale of publications they produce. Those conflict resolution or peace and democracy institutions that are based at Universities are providing links between scholars and the larger national and regional political communities. Another significant source of support for the new organizations is the African international community, transplants from the home country who are living in the U.S., the U.K., France, Canada, and Germany. Organizations of Africans abroad, based in the Atlanta, Chicago, Detroit, Philadelphia, New York, Los Angeles areas, provide enormous capital and knowledge used by these incipient foreign affairs organizations.

In spite of their potential, most of these existing organizations have not yet taken the next logical step to become centers for foreign policy dialogue— networks such as those existing through the Council on Foreign Relations (NY and Washington DC), and the Councils on international affairs that exist in major cities across the United States. These organizations bring knowledgeable and interested individuals together across a broad

spectrum of opinion, so that they can engage policy makers in dialogue, educate them about the issues, and

In all societies, national culture affects the ways that citizens look at domestic and international issues, and the more heterogeneous the society religiously and ethnically, the more intense are these debates about foreign policy.

help shape the emerging policies over time. For the most part, they are not party-specific, and they encourage individuals currently holding policy positions to come when invited but not to take leadership roles within the organization. Some critics would

argue that only in advanced democracies does one see autonomous foreign policy organizations of citizen members, who engage government representatives and policy makers on the specifics of legislation and its policy impacts, and who seek to establish dialogue with foreign government representatives about foreign policy. Clearly, in democratic societies, citizens should be encouraged to be engaged on domestic issues. In all societies, national culture affects the ways that citizens look at domestic and international issues, and the more heterogeneous the society religiously and ethnically, the more intense are these debates about foreign policy. Even in the United States, historically there has been some debate between political parties about the importance of citizen input on foreign affairs subjects, but these debates are being resolved in favor of freedom of speech and popular participation.

Why should Africa be held to a different and lesser standard? Certainly many African scholars and activists are anxious for dialogue on foreign policy issues between themselves and with policymakers in the West. Many such dialogues on South Africa policy took place in the United States prior to Mandela's release from prison in 1990, and before the lifting of much apartheid legislation. In January 1998, when the Abacha regime was recalcitrant and determined to perpetuate itself in power, the Council on Foreign Relations held a conference on Nigeria at its headquarters in New York City, to which Nigerian activists,



In much the same way as the popular voice on African debt and trade helped to reshape the thinking of international financial institutions and western governments, there is a need for organized African voices on the broad range of foreign affairs issues that affect American and African future.

journalists, scholars, and civil society representatives came to talk about U.S. Nigeria relations and the way forward. It also backed a fact finding mission to Nigeria that produced recommendations on how to support the movement toward democracy.¹¹ That enthusiasm did not disappear, but was exhibited again in January 2000, as Africans from many organizations based in Atlanta, Chicago, Los Angeles, and Washington DC joined the deliberations of the National Summit on Africa in Washington, DC, and made policy recommendations supportive of African civil society participation in the construction of foreign policy.12

It is perhaps not surprising that in fledgling African democracies, the

government does not yet provide enthusiastic support for these new institutions concerned with international affairs. Some of the older institutions are still peopled by individuals whose thinking was shaped by prior authoritarian patterns of governance, and they may be struggling to achieve a new autonomy. Some of the new institutions, while committed to democracy, are still relatively weak, and most have not yet created relationships for regional or continental dialogue. But there is such capacity and possibility in the new period, until it would be a travesty if ways were not found to encourage the formation of foreign affairs networks. Just as it was possible for some African institutions to prevail upon

the OAU to create mechanisms for conflict resolution dialogue and action in the early 1990s, so it may be possible for them to establish a dialogue with the African Union and NEPAD in order to offer support for initiatives, and to gain support for the building of African foreign affairs dialogues. In the meantime, major questions arise about how the U.S. can support such developments.

Although the United States has had an interest in education for democracy for the past decade, we have not yet seen concerted efforts to build foreign affairs linkages in Africa that would enhance these post-cold war possibilities. During the Clinton Administration, the creation of the Education for Democracy and Development Initiative (EDDI) in 1998 allowed the U.S. government to work in 35 African countries to demonstrate its "commitment to help strengthen African educational systems and democratic principles, as well as to fortify and extend vital development partnerships between America and Africa."13 EDDI has achieved much by focusing on building regional centers of educational excellence, encouraging citizen participation in public affairs, closing the education gap for women and girls, and the use of information technologies to bridge the digital divide. However, it would seem that a logical next step might be to further education for democracy by supporting projects that encourage the creation and strengthening of foreign policy education and dialogue networks.



Table 1:	Sub-Saharan Africa Fo	reign Affairs Institutes 2003	
Organization	Status	Focus	Funding
African Institute for Economic and Social Development (INADES) Abidijan, Cote d'Ivoire	Founded 1962	Domestic and social development ssues, Sub-Saharan Africa	Cote d'Ivoire budget
Al Ahram Center for Political and Strategic Studies (ACPSS), Cairo, Egypt	Independent, 1968	Zionism, foreign relations, security and economic policy, domestic development issues	Foundation, Government, Membership
Egyptian Center for Economic Studies (ECES), Cairo, Egypt	Independent, 1992	Development and dissemination of economic policy reforms	Research Contracts
Ethiopian International Institute for Peace and Development (EIIPD) Addis Ababa, Ethiopia	Semi-Gov., 1996	Foreign service training, public institutions, peace and conflict policy	International, NGOs, Government Foundations, Publications
Center for Policy Analysis (CEPA) Accra, Ghana	Independent, 1994	Macroeconomic policy issues, Independent macroeconomic ideas	Foundations Contract research
Center for Democracy and Development (CDD), Accra, Ghana and Lagos, Nigeria	Independent, 1994	Democracy, elections, economic development, military, regional	International, NGOs African capacity building, Foundation USAID, Contracts
Institute of Policy Analysis and Research (IPAR), Nairobi, Kenya	Independent, 1994	Develop policy ideas, share with Kenya and development partners	*
Namibian Economic Policy Research Unit (NEPRU), Windhoek, Namibia	1990	Training, economic development research for national policy	Foundations, Research Contracts Interest Groups
African Institute of South Africa (AISA) Pretoria, South Africa	Independent, 1960	African knowledge for peace, democracy, policy analysis, foreign relations	Government, NGOs, international, donations
Foundation for Global Dialogue (FGD) Braamfontein	Independent, 1995	Foreign relations, diplomacy, regional cooperation	Foreign Foundations Private Sector
Institute for Security Studies (ISS) Pretoria, South Africa	Independent, 1990	Human/individual security, policy formulation in Sub-Saharan Africa	Development Agencies, International NGOs, Corps, Foundations
Institute for Strategic Studies (ISSUP) Pretoria, South Africa	University affiliated institute, 1974	Strategic studies in southern Africa, defense, military	Membership Fees, Publications, Conferences, Contract research
Economic Policy Research Center (EPRC) Kampala, Uganda	Independent, 1994	Sustainable growth and development, policy analysis, international links	Donors, Foundations Contract research, Government
Nigerian Institute for International Affairs Lagos, Nigeria	Independent, 1961	National, regional, international issues,	Government, Publications
ACCORD, Capetown, South Africa	www.accord.org.za	Conflict resolution, peacekeeping	*
Center for Peace and Conflict Studies, University of Ibadan, Nigeria	(INCORE) cds/metadata/ibadan.html	M.A. programs and courses	*
Center for Study of Violence and Reconcilation Capetown, South Africa	South African, NGO www.wits.ac.za/csvr	Peace, truth and reconciliation	*
Independent Projects Trust Umgeri, South Africa	www.webpro.co.za/clients/ipt	Facilitation, training for political and economic transformation	*
Inter-Africa Group, Ethiopia	www.interafrica.org	Peace, justice, humanitarian law, Horn of Africa	*
Quaker Peace Center Capetown, South Africa	www.quaker.org/capetown	Peace in southern Africa, education, training	*

^{*} information not available



What are African publics saying about much debated policies like the Millennium Challenge Account (2002)14 and NEPAD?

Indeed, there is a real need to hear the voices of ordinary African citizens as we debate African foreign policy issues. In much the same way as the popular voice on African debt and trade helped to reshape the thinking of international financial institutions and western governments, there is a need for organized African voices on the broad range of foreign affairs issues that affect American and African futures. Formal linkages between the American and the African foreign affairs institutions might be the spark needed to get the foreign policy exchanges going.

Dr. Gwendolyn Mikell is the Director of the African Studies Program in the School of Foreign Service, and Professor of Anthropology at Georgetown University. Since January 2000, she has also been a Senior Fellow in African Studies at the Council on Foreign Relations.

References

- Marguerite Michaels, "Retreat From Africa," Foreign Affairs, Spring 1993, pp. 93-108.
- G. Mikell, "Forging Mutuality: ASA and Africa in the Coming Decades," African Studies Review, vol.34, no.2, issue, pp. 1-24.
- Edmond J. Keller & Donald Rothchild (ed) Africa in the New International Order: Rethinking State Sovereignty and Regional Security, Boulder, Colo.: Lynne Rienner, 1996.
- Global Coalition on Africa, [www.gca-cma.org/eabout.html], 2003.
- December 31st claims a May 15, 1982 launch. However, it assumed national prominence in 1986 as Rawlings' PNDC government sought to consolidate its hold over civil society and women's organizations. See [www. dec31. org. gh/ about1.html]. See also, G. Mikell, African Feminism: The Politics of Survival in Sub-Saharan Africa, Philadelphia; U. Pennsylvania, 1997, pp. 340-341.
- Center for Democracy and Development aims to promote the values of democracy, peace & human rights in Africa and especially in the West African sub-region. See [www.cdd.org.uk/].
- "NADECO Considers Four Options On its Future," Vanguard (Lagos) 25 June 2000.
- The Africa Institute of South Africa Act, Number 68, 200l. Government Gazette, 21 February 2002.
- See the CODESRIA website at [www.sas.upenn.edu/African Studies/ codesria/codes_Menu.html].
- See the AAPS website at [www.aaps.co.zw/news/html.]
- Report on the Conference on Nigeria, by Salih Book, Darren Kew, Barnett R. Rubin, Council on Foreign Relations, January 1998. Stabilizing Nigeria: Sanctions, Incentives, and Support for Civil Society, by Peter M. Lewis, Pearl T. Robinson, and Barnett R. Rubin, Council on Foreign Relations Book published by the Twentieth Century Fund, January 1998.
- National Policy Plan of Action, National Summit on Africa, Washington DC, April 2000. "Africa, U.S. ties highlighted at National Summit on Africa," Academy for Educational Development, Spring 2000 Academy
- "International Conference on Education, Development and Democracy: Africa Shaping Its Future," May 28-June 1, 2001 in Coutonou, Benin (sponsored by EDDI).
- "The Millennium Challenge Account" Alan Larson, Undersecretary for Economic, Business, and Agriculture Affairs, Statement before the Senate Foreign Relations Committee, Washington DC, March 3, 2003.



Americanizing Africa and Democratizing the World?

From Vision to Experience

By Dr. Ali A. Mazrui

With every new generation it becomes less and less realistic to view Africa's problems in geographical isolation. To paraphrase an English poet, John Donne:

No continent is an island entire unto itself.

And therefore never send to know for whom the bell tolls; it tolls for us all.

At the cosmic level of history, there have been three big waves of external penetration of Africa. There was first the impact of the Arabs and Islam upon Africa, from the seventh century of the Christian era onwards.

Almost a whole millennium later there was the impact of Europe on Africa - through the slave-trade, colonization and empire-building. The European penetration of Africa became particularly extensive from the nineteenth century onwards when the scramble for Africa gathered momentum.

What has started now is the third major wave of alien penetration of Africa - the forces of American influence and power. The American wave into Africa started after World War II with the rivalry between the United States and the Soviet Union. The Cold War has now been followed by the American War on terrorism, at a time



when the United States has become the most powerful global force in history since the collapse of the Roman Empire.

The first alien wave into Africa of the Arabs and Islam stimulated both positive changes and negative consequences in Africa's experience. The second alien wave of Europe into Africa started with the evil of the slave trade but later matured into the more complex impact of European colonialism, encompassing both plusses and minuses for Africa.

This third wave of the potential Americanization of Africa is still in its infancy. It could just mean a new style of imperialism for Africa. Or it could herald positive changes in Africa's future.

Outside Africa the administration of George W. Bush would like to democratize not only Iraq but the whole of the Middle East. That is



indeed a tall order, especially since this administration has done more damage to American democracy at home than any other administration since the days of Senator Joseph McCarthy in the 1950s. But since the United States has now become the undisputed superpower, it is still worth considering whether its immense resources and influence should not be channeled to such great long-term causes as the democratization of the whole world. America can be a power for good or a power for evil. American militarism is a danger to the human race, but can American democratic idealism be tapped to benefit the human race? If the Roman Empire two millennia ago left a legacy of the Rule of Law, can the new American Empire of today leave behind a legacy of global democracy?

Such dreams appear hollow in the present atmosphere of detention without trial in America, a Patriot Act which legitimizes extensive surveillance of citizens, a "Big Brother" who is prepared to interrogate libraries secretly about which books citizens read, a readiness to engage in preemptive and preventive war on others with little respect for international law.

But in the larger view of whether America can be a benevolent or malevolent empire, it is worth encouraging the forces of benevolence in American political culture towards influencing the world for the better. George W. Bush has even declared the desirability of creating a free trade area between the United States and the Middle East.

But the American ambition to democratize the world, though worthy of consideration, is fraught with risks. In this essay let us explore both the promise and the peril by using as an example the interaction between the United States and Africa from a

No
continent is an
island entire
unto itself.
And therefore
never send to
know for whom
the bell tolls; it
tolls for us all.

democratic perspective.

The United States' impact on the fortunes of democracy in Africa is only partially an outcome of the foreign policy of U.S. governments. A more sustained process is through non-governmental organizations - ranging from American philanthropic and religious groups to the Carter

Center in Atlanta, and ranging from concerned scholars in the United States to the Trans Africa Forum in Washington, D.C., and ranging from the novelist Alice Walker to first generation American citizens who are immigrant Africans. This is quite apart from the ambiguous role of U.S. transnational corporations.

The Culture of Democratization

Here again it is worth distinguishing between normative democracy and institutional democracy. Normative democratic concerns focus on issues like human rights and freedom of speech and the right to a fair trial. Institutional democratic concerns include promoting the right to vote, the holding of free elections, the championing of political pluralism, and the presumed link between political liberalism and economic liberalism. Non-governmental American promotion of democracy in Africa is highly normative. It is often targeted at issues like detention without trial, freedom of the Press and such barbarities as the crude execution of Ken Sarowiwa of Ogoniland in Nigeria in 1995.

Since September 11 there is the complicating factor of the U.S. war on terrorism. Does it help or hurt democratization in Africa? Some African governments may use the war to repress their political opponents.

Increasingly, female circumcision has been denounced as "female genital mutilation" and a violation of human rights. The term is clearly much more partisan than the term



"slavery" - for the term "slavery" was used by both defenders and critics of the institution. But the word "mutilation" is used only by those who criticize the ritual. In the campaign against the genital ritual the United States' government has joined forces since 1996. From then on, running away from the danger of female circumcision has become grounds for political asylum in the United States, following the precedent set by a Togolese asylum seeker in 1996. Canada has also made running away from female genital surgery grounds for political asylum into the country. Some have seen such a development as the emergence of cultural asylum to deal with cultural threats to human rights in other societies.

The problem of where to draw the line between cultural imperialism and promoting cultural democracy is still persistent. African cultural nationalists protest that Western society whose pressures on Western women to be slim create female eating disorders, and whose pressures on women to have artificially inflated breasts through implants, create so many blood and skin disorders in women, are not the best qualified to throw the first stone at African conceptions of female legitimacy - even if both forms of sexism are reprehensible.

The Political Economy of Democratization

The main ideological exports of the United States government are first, market economic ideologies and second, liberal democracy. George W.

Bush's vision of a free trade area between the United States and the Middle East may be part of the strategy of marketeering.

From the United States' point of view, the export of market-ideologies to the rest of the world is self-regarding. It is directly intended to serve the interests of the United States. The export of or choosing puppet rulers?
Because the export of market ideologies is self-regarding to Americans, it has been pursued with greater vigour and greater consistency than the promotion of liberal democracy. Market ideologies have also been pursued and promoted energetically by the World Bank and the International Monetary

The United States has played a big role in universalizing market ideologies in the twentieth century—but America's record in promoting democracy is mixed at best, and window-dressing at worst.

liberal democracy is other-regarding. It is intended to serve the interests of the beneficiary-state, at least in the first instance.

The export of market ideologies, although clearly self-regarding, has been quite often the more candid and sincere. But the promotion of liberal democracy by the U.S. government has often been selective, manipulative, moralistic and often hypocritical. In the new post-war Iraq, is the United States promoting democracy

Fund - while at the same time both Bretton Woods institutions have insisted that their statutes did not allow them to promote democratic values. When I served on the World Bank's Council of African Advisors in the 1980s and 1990s I repeatedly asked the Bank to devise a calculus of democratic indicators by which an African country would be judged democratically before a loan was granted - the Mobutus and Mois of the 1980s. Vice-President Kim Jaycox of the World



Bank repeatedly protested that it could not be done under the statutes of the World Bank.

Partly because market ideologies have been pushed with greater vigour and consistency than has liberal democracy, the market is almost triumphant by the beginning of the twenty-first century. There are more countries which have been forced to privatize and adopt market-oriented programmes than there are countries that have been penalized for not democratizing. The United States has played a big role in universalizing market ideologies in the twentieth century - but America's record in promoting democracy is mixed at best, and window-dressing at worst.

Between the Ballot and the Market

But even if the United States is a vigorous marketeer in Africa and poor democratizer, is that necessarily a bad thing? Is it not conceivable that the greatest preparation for a liberal democratic order in Africa is learning the skills of capitalism? Is the direct empire of capitalism inadvertently laying the foundations for the democratization of the world?

It is certainly true that all liberal democratic countries in the world today are also capitalist countries - though not all capitalist countries are liberal democracies. All liberal donkeys are capitalist animals but not all capitalist animals are liberal donkeys. Is the fact that all liberal democracies are capitalist countries an accident of history or a logical necessity?

I am prepared to believe that it is a logical necessity. For example, I am prepared to believe that it is not possi-

There is an American innovation which is missing in Africa, has not been externally promoted by the United States, and which may be far more relevant for liberal democracy in Africa in the twenty-first century than many have realized. The missing American agenda is federalism.

ble to have a pluralistic press independent of the government without advertising from the private sector. So a free press needs the existence of independent powerful advertising interests in the economy. A free press needs some degree of capitalism - but the capitalism can be as contained as that of Sweden and not as reckless as that of the United States.

If then the United States, the World Bank and IMF are laying the foundations of capitalism in Africa, are they also laying the foundations of future global democracy?

In reality capitalism may be a necessary condition for liberal democracy, but it is not a sufficient condition. A number of other things need to develop before economic liberalism (i.e., capitalism) evolves into political pluralism (i.e. liberal democracy). It is therefore vital that the kind of market ideologies which the United States, the World Bank and IMF have been imposing upon Africa do not stifle the emergence or growth of those other necessary conditions for liberal democracy in Africa. For example, if external infusion of capitalism would favour foreign capitalists and stifle local entrepreneurship, it would not serve its democratizing purpose.

Africa and the Federal Paradigm

There is an American innovation which is missing in Africa, has not been externally promoted by the United States, and which may be far more relevant for liberal democracy in Africa in the twenty-first century than many have realized. The missing American agenda is FEDERALISM. For the first half-century of postcolonial experience in Africa, the word federalism has been anathema almost everywhere in Africa apart from Nigeria.

And in Nigeria federalism has been substantially negated by three or four decades of military rule since inde-



pendence. State rights and human rights have been trivialized by military arbitrariness. The civilian rule of Olusegun Obasanjo has been only marginally better.

Clearly federalism is at best only a necessary condition for a pluralistic liberal order and not a sufficient condition. What has been remarkable since independence has been the following: Africa's reluctance to seriously consider federalism as a solution to its tumultuous ethnic upheavals and, secondly, the United States' reluctance to sell federalism as part of the American liberal legacy.

Indeed, Africa worked itself up into a condition of acute psychological denial. Loyalty to tribe was regarded as political pathology - in spite of the fact that such loyalties will remain part of Africa for at least another century. The UNESCO General History of Africa even banned the use of the word "tribe" in all its massive eight volumes (including Volume VIII edited by this author).

Ignoring the salience of ethnic loyalties has cost Africa three to four million lives in civil conflict since independence.

On the other hand, some of the countries which have attempted to make concessions to those loyalties have reduced the risks through the utilization of "ethnic arithmetic" as a principle of representation. Botswana has been cited as one such country. Sometimes ethnic arithmetic in an African government constitutes a kind of informal ethnic Senate House. Post-Manguistu Hailu Mariam's Ethiopia

has taken the issue even further — decentralizing power from the center to ethno-cultural groups and attempting to create a federation of cultures.

In the twenty-first century should the United States consciously seek to export its expertise on federalism and the federal experience to countries trying to find ways of reconciling the imperative of unity with the reality of diversity in a democratic order? One country which could have benefited from a federal structure if it had been promoted early enough, and with enough inducements, was SUDAN.

What may be required is not merely a federation between a northern region and southern region but a multi-state federation, re-defining both northern units and southern units. That may still be the answer, although there are some who would describe such a solution as "too little, too late."

Genocide and the Shield of Federalism

Such a new federal vision which is crying out for experimentation would also help solve the problem of the Hutu and Tutsi in Rwanda and Burundi. We start from the premise that Rwanda and Burundi are dual societies and not plural societies. Dual societies have a high propensity towards polarization - as in the case of Greek Cypriots versus Turkish Cypriots, Catholics versus Protestants in Northern Ireland, Tamils versus Sinhalese in Sri Lanka, Czechs versus Slovaks in the old Czechoslovakia, and Hutu versus Tutsi in Rwanda and

Burundi. Dual societies do not have enough political space for alliances and coalitions, and therefore not enough space for compromise and accommodation.

One solution for Rwanda and Burundi is to federate them with Tanzania and make the Hutu and Tutsi part of a wider plural society. The separate armies for Rwanda and Burundi, and for the Tutsi and the Hutu, would need to be dissolved. As part of Tanzania the Hutu and Tutsi would discover how much they have in common, and possibly form a political alliance among themselves against other Tanzanians in the legitimate political process.

Is there a precedent for this? And the answer is YES. Uganda has Hutu and Tutsi of its own - only they pass under different names. The Ugandan Tutsi are called Hima, of whom President Museveni is one. The Ugandan Hutu are called the Iru. On most issues in Uganda politics the Hima and Iru have rallied together under the collective name of Banyankole.

In other words, in pluralistic
Uganda, the Hima and Iru have had
enough political space to form legitimate alliances against other
Ugandans. But in dualistic Rwanda
and Burundi there has not been
enough political space for compromise between the Hutu and the Tutsi.

Federation with Tanzania would open up such possibilities. The United States should lead the way with inducements not only to Hutu and Tutsi, but also to Tanzania to make it



worth Tanzania's while. Above all the United States should make available its immense experience - however troubled - in the constant give-and-take of the politics of federalism.

Towards the Future

American policies in the Middle East have often hurt Africa. American Embassies in Nairobi and Dar es Salaam were bombed in 1998 because of U.S. policies in the Middle East - resulting in the deaths of hundreds of East Africans. America's uncritical support of Israel has led to anti-Israeli terrorism in Africa, often killing many more East Africans than either Israelis or Americans. Africa is hurting because of the United States' blunders in the Middle East.

But will American policies in Africa, on the other hand, help the United States' humanitarianism in the Middle East? The Bush administration has declared war not only on terrorism but also on AIDS and HIV. The war on terrorism is targeted especially on the Middle East, but is also hurting Africa. The war on AIDS and HIV is targeted especially on Africa but may deepen American humanitarianism in the Middle East.

Globalization has given us an American empire of unprecedented might and power. But globalization has also given us opportunities for humane interdependence. The triangular relations between the United States, the Middle East and Africa are at the core of the interplay between global power and mutual human vulnerabilities.

an American Empire of unprecedented might and power. But globalization has also given us opportunities for humane interdependence.

The triangular relations between the United States, the Middle East and Africa are at the core of the interplay between global power and mutual human vulnerabilities.

An even larger picture is whether the United States' penetration of Africa is inaugurating the third major wave of alien penetration of Africa on top of the first waves of Islam and the Arabs, and the second wave of the impact of Europeans on the African continent.

Across the centuries Africa has been both enriched and damaged by the historic interaction with the Arabs and Islamic culture. More recently Africa has been both enriched and damaged by the impact of European power and life-styles. Are we now facing the American phase of alien power in Africa? Should we say "Halleluia! The Lord be praised!"? Or should we groan "God help us!"? It could go either way! America is both a horrendous peril and a humane

promise to history and destiny. The author is an Albert Schweitzer Professor in the Humanities and Director of the Institute of Global Cultural Studies at Binghamton University, New York. Dr. Mazrui is also an Albert Luthuli Professor-at-Large in the Humanities and Development Studies at the University of Jos in Nigeria. He is the Andrew D. White Professor-at-Large Emeritus and Senior Scholar in Africana Studies at Cornell University and Ibn Khaldun Professor-at-Large, Graduate School of Islamic and Social Sciences, Leesburg, Virginia. A revised presentation of this article was delivered at a conference on "Africa in the 21st Century" held on May 10, 2003 at Massachusetts Institute of Technology, Cambridge, Massachusetts.



The Paradox of National Unity in Diversity The Language Issue in Kenya

By Dr. Wa'Njogu J. Kiarie

Language is the medium of culture because culture is socially constructed. Therefore, for all people to have equal opportunity to develop and participate in that culture, they must be equally competent in the language(s) of that culture. However, it is not as simple as it seems, for a paradox underlies the situation: the paradox of whether to mandate a single language (like the case of Kiswahili in Tanzania) or to support many languages (like the case of 11 national languages in South Africa) within that culture. For instance, France and many of its former colonies operate monolingually, while Puerto Rico and Canada support bilingualism. When people speak various languages within a nation, it can be divisive when not everyone engages in socially constructing knowledge and reality, so it facilitates nation-building when all people speak the same language. However, diversity can enrich national development as well when people of the diverse groups can contribute to the nation as a whole. This is because as people resolve differences among the diverse groups, the process can lead to stronger and richer culture. The differences, then, can build strength. The paradox here concerns whether to



develop policies to support a monolingual or multilingual nation. Each has advantages. On the one hand, a monolingual culture has the obvious benefit of everyone's being capable of speaking with everyone else. However, multiple languages bring strength because of the varied strengths of each language and the strength that accrues from resolution of minor conflicts. Woven together, a culture based on different languages can be strong and rich, probably particularly when

many of its citizens are bilingual and therefore able to speak with many others. When they work to resolve differences, the resulting understanding can be particularly powerful. It is not our purpose to settle the debate about monolingualism versus multilingualism in this article, but it is our purpose to present the history and case of this debate in Kenya. The language issue is highly contentious and complex, and various policies are needed in different contexts.



As Epstein (1978) has shown, the schools help shape national identity through acculturation by preparing minority children for assimilation into majority culture, acting as agents for social change or perpetuating traditional social and political arrangements.

It should be pointed out that such goals of schools and society can be brought about through both the explicit curriculum which is overtly intended and publicly advertised, and the implicit curriculum which consists of learning acquired because of the nature of schools (See McCutcheon, 1995: xv-xvi; Eisner, 1994: 87-97). For example, through the explicit curriculum, students might learn their nation's history and geography. Through the implicit curriculum they might learn patriotism and other values of the nation such as honesty, a work ethic, and love of family. Through the explicit curriculum schools can do more toward nation-building than teaching the nation's values; schools can also be highly instrumental in teaching the nation's language(s).

Diversity is a norm many nations have tolerated and even embraced ever since their founding. There are various kinds of diversity: cultural, racial, and linguistic, just to mention a few. Diversity has been seen by some as a contributor and by others as a hindrance to national development (Villacorta, 1991). Diversity contributes to national development when different people contribute their diverse expertise and knowledge cru-

cial to national development. On the other hand, diversity hinders national development when specific groups segregate themselves from the mainstream and treat themselves as 'inde-

In most countries characterized by any type of diversity, one of the key goals is to encourage national unity to enhance the idea of a nation and to support national development.

pendent' groups that cannot make a nation. Good examples are diverse ethnic groups found in many parts of Africa, and minority groups in Europe and America. In most countries characterized by any type of diversity (for

example linguistic), one of the key goals is to encourage national unity to enhance the idea of a nation and to support national development. Linguistic diversity in many parts of the world may have resulted from various factors. One of them is multilingualism (for example, in Africa where people of diverse linguistic background were grouped by colonialists to form a nation). The imposition of colonial rule on other states (or countries) meant the imposition of a language of administration-particularly of education, law, and commerce- in addition to the indigenous language(s). For example most, if not all, of the colonized countries, in Africa still feel the strong influence of foreign languages which have developed to become languages of day-today communication in commerce, administration, and education. Foreign languages that still dominate interactions among Africans are English, French, and Portuguese. Another factor is migration caused by social strife, famine, and political instability among other factors (as is the case with Somali, Democratic Republic of the Congo, Rwanda, Burundi, Ethiopia, and Sierra Leone).

Different countries have approached the issue of linguistic diversity in different ways. Some countries had no choice other than to maintain what had been established and developed by colonialists; namely the maintenance of foreign languages, thereby disregarding the local ones. This happened to be the case with the French colonies. When these coun-



tries regained their independence, they found it difficult to go back to what had been abandoned so long ago. At the same time, most of the "mother" countries maintained strong attachments with their former colonies, and if this was to continue they had to maintain what their colonial masters had set up. In other countries (for example Tanzania before the take-over by the British from the Germans), the colonial administration had not interfered to any great extent with the original linguistic set-up. Despite the many languages that existed, one language (Kiswahili) had already stood out as one that could play a key role in unifying people. Some other countries (like Kenya) decided to maintain both local and foreign languages and by so doing creating diversity in search of unity (although this is slowly being rectified by revising language policies). One of the ways of obtaining unity is through education by having a national curriculum. A national curriculum ensures that everyone is exposed to similar content of material and similar testing. In this case language as a medium of instruction and as a subject plays a very significant role in national unification.

In Kenya (as in many African and other developing countries) linguistic (and hence cultural) and, to a limited extent, racial diversity is a realistic phenomenon people have abided by for a long time. Immediately after independence (in 1963) the goal of national unity became a priority of

the government of the day and everything within its reach was mobilized to achieve it. One of the areas targeted to help in the fulfillment of this goal was education. This was deemed possible through the development of

Foreign languages
that still dominate
interactions
among Africans
are English,
French, and
Portuguese.
Another factor is
migration caused
by social strife,
famine, and
political
instability among
other factors.

a national curriculum. Efforts were made to 'Africanize' curriculum in order to make it more realistic, meaningful and applicable to its consumers (the nation, communities and the learners themselves). One aspect of the curriculum thought to be very important in achieving national unity (and which has remained very sensitive) is the issue of language. Language can be a cohesive force, but also it can cause division and domination (Villacorta, 1991). A national language is very important because, in addition to being a vehicle of communication, it also serves as a defense against foreign cultures. Languages determine the character and the level of people's social and political development. Language also forms and expresses people's ideas, shapes their analytical and decision-making skills, and determines the quality and degree of their communication with each other. More important is the fact that national identity and pride are linked with a national language.

In Kenya, between 57 and 80 (Whiteley, 1974) distinct indigenous languages and dialects are spoken, all of which need to be maintained and developed. The biggest dilemma has been how to maintain and develop these languages yet concurrently gain national unity. Luckily enough, by the time of independence, one language had spread and developed to become a common language. This language is Kiswahili, spoken by a large proportion of the Kenyan population (as well as others in Eastern and Central Africa). This language was seen as an ideal unifying force among diverse linguistic and cultural communities in Kenya (Rhodes, 1977). The Kenyan government declared Kiswahili the national language in 1969. Such a



declaration could have meant a change in the language curriculum in order to give this language an opportunity to unite the people as Kenyans and at the same time encourage them to maintain their indigenous languages. Mixed with the indigenous and national language issue is the question of an official language (English), which seems to exert more influence especially given the prominence that it enjoys.

In the pre-colonial period missionaries were the first and the only agency concerned with the language issue in their project of providing Christian education for the local population. As such, the implication was that Muslims, who had settled along the coast long before the arrival of the missionaries, were excluded from this early formal schooling. Yet missionary education was not linguistically homogeneous for it encouraged use of vernacular languages. As such, language could not be relied upon as a tool for national unity on a larger scale. Unity could only be felt on small scale along ethnic lines and if it went beyond, then the only thing possibly uniting people was religious faith. From 1920 to 1960 the problems inherent in any educational policy were those of providing an adequate supply of trained teachers for the various languages, and textbooks in these languages for school children in all areas. It can also be noticed that most of the recommendations and decisions made by colonial policy makers were aimed at promoting the white man's interests. The more Africans remained segregated and divided (especially linguistically), the better it was for the colonial administration. As the primary aim of internal policy is the fostering of

A national language is very important because, in addition to being a vehicle of communication, it also serves as a defense against foreign cultures.

Languages determine the character and the level of people's social and political development.

forces conducive to national unity, the educational role of Kiswahili as a subject of instruction is being emphasized and that of English as a medium of instruction maintained, while less emphasis is being laid on the educational roles of vernacular languages.

With increased employment prospects in the civil service after independence, however, there was a general trend towards English and away from Kiswahili and the same was for vernacular languages. Even though Kiswahili was made compulsory and examinable subject in both primary and secondary school, the trend in favor of English still persists. English still has a higher status in the political, social and economic lives of Kenyans. However, people (especially academicians) have started expressing the need to review the former policies and revive the native languages. How far this debate will go and its consequences on the language curriculum remain to be seen. Accommodating this development without sacrificing national unity is another issue policy makers need to think about. Overdependence on foreign languages to interpret our own realities has proved to disenfranchise majority of the citizenry for they limit their socio-political and economic participation. If the example of South Africa is something to go by, it is possible to develop and sustain our languages with out putting our national unity at risk.

Dr. Kiarie serves as Lector of Kiswahili at Yale University. His specialization is language education and sociolinguistics. The author's interests include foreign language curriculum development, teaching methodology, material development, and assessment.



The Future Generation of Global **Information and Communication** Technology (ICT) Can Africa Meet The Challenge?

By Dr. Manny C. Aniebonam

In a world where information technology is the bedrock of global development, where nations in Asia who got independence from old colonial masters at the same time as Africans are decades ahead of most African nationstates, one must finally begin to extrapolate some assertions into some obvious truths:

- That African Information and Communication Technologies (ICT) problems must be quantified, studied and put into a platform for accelerated attention and possible leapfrogging;
- That in consideration of the failure of outsiders to address the African problems, such answers to questions of our underdevelopment must begin to come from Africans themselves;
- That we have more human resources than most developed nations, but have not started to harness what we have; and,
- That since Africa has failed to define itself in the global community, others have stepped in to define us...And the picture they painted is not too pretty!!!

To answer the question of whether





Table 1 Quantified Estimates of African Digital Divide Parameter						
	Information Technology Attributes	In N. America	In Africa	Years to Catch Up		
	1. PC Count per 100 Households	85	3	30		
2	2. Computer Literacy per 100 Persons	78	5	25		
(3. Internet Use Per 100 Persons	87	4	20		
4	4. Computer Impact to Life per Day	98	7	25		
į	5. Wired Schools per 100 Institutions	100	2	15		
6	6. Businesses with IT Application	97	4	27		
	7. University Graduates with IT Skills	85%	5%	45		
	Contribution to Target Sectors:					
8	3. Banking (Electronic)	100	10	28		
9	9. Civic Institutions	100	2	35		
	10. Commerce	100	8	20		
	11. Personal	95	15	15		
	12. Social Services (govt)	100	5	22		
	13. IT Developer Count per 100 Persons	12	(O.1)	175		
	14. IT Knowledge Workers Per 100 Persons	18	(0.7)	150		
	15. IT Contribution to Economy	15%	(0.2)	210		
	16. Overall Economic Development	20%	0.5%	225		
	Nigerian IT Professionals in the Americas (NITPA) Studies, 2002.					

Africa can meet the challenge, we must first ask whether Africa can ever catch up with the speed of changes and development in the global ICT theater, and what strategies much be adopted by Africans if we must have a chance.

This article is an effort to frame the collective African problems from and ICT perspective, based on a recent study by the Nigerian IT Professionals in the Americas (NITPA), a Diaspora based network group (www.nitpa.org) working to address the issues of Digital Divide in Nigeria and Africa. Beyond defining where the problems lie, we would set out to perform some assessment of the global conditions and the reality of the emerging ICT world. We will list the enormous challenges facing Africa along the way, and provide some specific recommen-

dations. An assessment of this nature should have taken place in Africa some 25 years ago; but more importantly, it is hoped that Africans everywhere will buckle up our belts and declare this "a time for action". The Computer, Telecommunications, and Office Equipment Leadership Forum (CTO2003), therefore, could not have come at a better time, as it provides us (Nigerians in the Diaspora) with the opportunity to share our views, strategies and activities towards addressing the Digital Divide.

A look at where we are compared to the West

In Table 1, we report the status of the African ICT condition, compared to North America. The data was collected from several publications on global ICT status, with African data based on extrapolations and approximations from World Bank and UN studies (See Table 2). Our efforts here is to place this information along side each other, and using time-series analysis, project the number of years it will take African nations, on the average, to catch up with North America in ICT. The numbers speak for themselves, showing in summary, that if current rate of change continues without radical intervention, it will take Africa 30 years to catch up to North American household personal computer (PC) counts, 20 years to catch up with current North American Internet use, over 150 years to catch up with ICT literacy, and close to 225 years to catch up in overall ICT economy. The result therefore raises questions, along with some specific observations that must also be noted, as seen in Table 1.

The African ICT problems are multifaceted, with two, perhaps three possible intervention strategies, including leaving both policy development and implementation in the hands of international agencies such as the World Bank, crafting out a regional strategy such as (New Economic Partnership for African Development (NEPAD), or leaving it all to chance. Rejecting all other options, this article is meant to examine how Africa must build capacity through mobilization of her indigenous resources for development engagement through (1) Education (2) policy realignment (3) Business-to-Business engagement and (4) knowledge content creation.



The African Challenge— Where the problems lie

Beyond study figures as presented in Table 1, the question of where the problems lie has been well documented in the literature. In our attempt to address the pertinent issues with recommendations, we must look at a summary of these problem sources as part of this work:

- · Infrastructure Inadequacies: Telecommunications, Hardware, Energy, Roads
- Human Capacity: Inadequacy; 90% of expert skills "imported"; Indigenous experts abound in the Diaspora. The few resources in African nation-states wish to migrate to the West due to lack of enabling environment - (brain drain).
- Government Policies: Big problem - Some officials even ask for bribe in order for external agencies to assist their own nation. Examples abound in the global press.
- **Educational Handicap:** Very real; Poor classrooms; Untrained teachers; Inadequate curriculum, etc.
- · Global Image: The press has not been kind to Africa as an equal partner in global competition.
- **Security Problems:** High crime in certain African countries; Poor legal assurances (the 419 menace in Nigeria, for example).
- · Institutional Inadequacies: Research; Employment opportunities; Mentoring.

The Global Practices

What external agencies are doing to address the Digital Divide problems world-wide:

We must recognize that the world does not fold its hands while African nation-states continue to slide in calculus of the Digital Divide as documented in Table 1. Much, in fact is being done (See Table 2); yet, the impact seems to be minimal at best because the programs put more emphasis on "what worked elsewhere" than customizing the intervention to each African nation-state environment. This practice is fully demonstrated by the fact that "missions" to the theater, as the international community calls it, are almost akin to performing surgery by remote control.

One must be there, experience the inadequacies, to be able to perform the right intervention, and that's where a trained indigenous resource pool comes in.

Why Must We Act Now and Act Immediately

We have dwelled enough on the negative and need to direct our spotlight on the current global environment, drawing a justification for why Africa must respond to this call for action. For starters, the world is experiencing a major technological revolution, centered on information and communication technologies and genetic engineering. The Internet is at the same time the epitome and the most powerful medium of this revolution. Under

Table 2: Global response to the African Digital Divide

- Digital Youth Consortium: http://www.gioventudigitale.net/en/index.asp-Youth Linkage (#3)
- 2. UNICT Task Force: http://www.unicttf.org/-Global policy initiatives (#16)
- Digital Partners: http://www.digitalpartners.org/-business financing (#6)
- 4. Social Enterprise Laboratory: http://www.digitalpartners.org/sel.html-micro grant initiatives through competitive proposal process (By Digital Patners) (#6)
- Drish Tee: http://www.drishtee.com/-Indian initiatives connecting Village to village, a form of local Internet café (90 villages and growing)
- SEWA-Self Empowered Women Association: http://www.sewa.org/-Gender initiative targeting women needs in ICT development (#4)
- Global Classmates: http://www.globalclassmates.org/-educational initiatives linking primary/secondary schools around the globe. (#2)
- Development Gateway: http://www.developmentgateway.org/- A World Bank Digital Divide Portal (#1-15)

(#) in parenthesis shows the intervention problems of ICT as shown in Table 1, being addressed by the initiatives.



the impulse of new technologies and flexible forms of organization and management, we are witnessing the formation of a new economy, characterized by rising productivity in many developed nations, growth and global competition. During the late 1990s most of the world had experienced reasonable rates of economic growth, in spite of the Asian crisis of 1997-98.

The Internet, New Economy, and Global Conditions

There is a new economy, expanding throughout the world, unleashing productivity, and creating prosperity, but in a very uneven pattern. This economy is characterized by 3 interrelated features.

Informational: Productivity and competitiveness are based on knowledge and information, powered by information technology. This translates, essentially in the need for a technological infrastructure, and the crucial role of highly educated human resources.

Networking: The new economy ensures productivity and flexibility on the basis of information-powered networks. Networks exist within firms and among firms; networks between regions, and decentralized networking around nodes. An important example of dynamic node in developing countries is Bangalore, India, a major software and electronics area, linked to the major technological centers of the world, particularly to Silicon Valley. The new global architecture is built around flows between dynamic nodes. The negative aspect of this dynamic is that the system allows for the switching on and off of regions and even countries according to their contribution to the value chain structured around these global networks. For Africa, the switch does not even exist, not to speak of whether it's on or off.

The new economy is a global economy. A global economy is a new kind of economy. It is the economy whose core activities have the capacity to work as a unit in real time on a planetary scale. This capacity is technological, based on telecommunications, databases, fast transportation, and information systems. It is institutional, based on deregulation, liberalization and privatization. And it is organizational, based on the networking of business firms, and on flexible forms of management and work. The key dimension of globalization is financial globalization -financial markets are now globally interdependent and electronically enacted in real time, bypassing government controls, and determining the fate of economies (for instance, in 2000, on average, currency markets exchanged about 2 trillion US dollars per day). But also, the core of production of goods and services is globalized, organized around multinational corporations and their ancillary networks, accounting for about 30% of global Gross Domestic Product (GDP). International trade is also an important dimension of globalization, but the expansion of trade is mainly a function of the internationalization of production, as multinational corporations and their networks account for about 2/3 of international trade, including about 40% of trade that

takes place within a given firm and its networks. Science, and technology, and highly skilled labor are also organized on a global scale.

The global economy is highly segmented: not everybody is included, but everybody is affected. For Africa, it has been more exclusion with heavy effect; and the time has come for us to understand how the intricate relationships function, allowing for our full participation in the global ICT economy.

Speaking of this new economic order, let us review the new rules of engagement that directly impact today's global reality.

The new economy is powered by the Internet - the equivalence of the electrical engine, of the Industrial Age, making possible the operation of the network enterprise, the historical equivalent of the industrial factory. Information technology - including information based transportation systems are the basis of connectivity and knowledge-based production.

New rules for labor: Highly skilled labor is critical. - flexible adaptable, self-programmable, able to innovate by working in flexible enterprises.

New rules for capital: Financial markets are the core of realization of value.

Growth of value of stocks substitutes for profits as the determinant of the new economy, since it is the main criterion to attract investment. Market valuation is led by information -of which profit is one of the elements, but not the only one. In the long term, yes, profits (expressing productivity) have to be there for growth to be eco-



nomically sustainable. But profits may come as result of investment in labor and production, and this investment is attracted by stock valuation mechanisms that are driven by information turbulences in financial markets.

The virtual global economy is today becoming the "real" economy. The performance of firms in this information-based, information-driven, and information-valued economy determines the fate of the people and country, such as Nigeria, Ghana or Senegal. It is in this reality that African ICT professionals must put their collective brains together to fashion the way forward - including solutions in telecommunication, infrastructure, human resources and funding capitalization.

Human resources are critical; in fact this is the essential infrastructure, without which technology means nothing. The new economy is a people-based economy. This means education. But education is not the same thing than the warehousing of children. The key issues are the training of teachers, and the reform of the school system into a new pedagogy adapted to the Information Age. The university system plays a pivotal role in the new development strategy, both in training and in research. Furthermore, beyond the school system, there is a growing need for a multifaceted process of social learning over the life time.

Productivity in the new economy requires a strong technological basis, of which the Internet is the most direct expression. So, developing countries such as exist all over Africa do not need to reinvent the Internet. But, Africa must learn how to groom an Internet industry. For Nigeria, Ghana or Kenya to be productive and competitive, the country needs to produce, sell, and manage with the Internet. Nonetheless, the issue of how best to apply this tool in any African country, without abusing it, nor using it as a cheap tool for cybercrime, has fast become very crucial. For, while other nations are racing to define their "information utility" based on educational and commercial content, Africa (and Nigeria in particular) has been labeled the global capital for chain letters, the originator for 419 scams, and the bedrock of the latest cyber-abuse. Our charge now is to turn this around, and find the necessary content base for our technology users.

Africa's Place in the Global Economy

The Information Technology revolution is changing everything, and we must work fast to adapt or be swallowed up by the waves. Under the current parameters of international division of labor, developing nations, such as most African nations, are threatened with structural irrelevance associated with their technological obsolescence. On the other hand, if properly used, the Information Technology revolution could spur a model of informatics development that would allow Africa to leapfrog beyond the industrial stage in our process of development. This leapfrogging strategy is difficult, complex, and

still unclear in its actual context. But it offers the best prospect to overcome structural, global inequality. Indeed, there are already numerous projects and programs around the world implementing development along these lines, including some UN, World Bank and USAID initiatives. Each African nation must mobilize its ICT resources to meet this challenge, and for Nigeria, the process started in 2001 with the coming together of over 500 Nigerian ICT professionals in the America, leading to the emergence of NITPA. The Nigerian IT Professionals in the Americas (NITPA) believes that Nigeria must be plugged into the ongoing ICT development processes; for the paradigm remains true, that for development to be cumulative and synergistic we need to redefine development in a global perspective, and implement a coordinated, global strategy. And how does this professional cluster define the main elements of this new approach to nation-building? The bullets below are extracted from the organizational charter:

- Image Building: Promotion of Nigerian image at global levels (through direct contacts)
- Organizational Alliances:
 Development of high-level partnership of organizations (NITPA, ITAN, COAN, etc)
- Institutional Alliances:
 Development of high-level partnership with government entities
 (Govt agencies NITDA, NCC,
 Professional Entities,
 Educational institutions)
- Business Alliances: Development



- of micro-level Business-to-Business relationships (between entities of interest)
- Training: Education of Nigerian masses on ICT through conference pronouncements
- Fund Sourcing: Building of framework for effective funding of ICT projects through collaboration between "needs owners"
 (Nigerian institutions), and "opportunity enablers" (NITPA-and the global agencies).
- Capacity Building: Creation of an effective ICT Advisory Board (a framework, at least)

To achieve the above stated goals, any such cluster must devise a networking, project engagement, and policy initiative strategies sustainable enough to assure that the above stated goals are met. For NITPA (which can be adopted by any other African country) these include:

- Direct and continuous engagement of all stakeholders (government, business community, academia, professional organizations, funding agencies)
- Bi-annual Conferences, one in Nigeria and another in the Americas (US, Canada)
- Creation of the Nigerian IT Portal (www.nigerianworld.org) to bring our capacity out to the world, with a visibly effective skills bank (www.nigeriaskillsbank.org)
- **Development of effective tools** to aid in fighting the 419 menace
- Professional Exchange program (between companies and organizations)

- Establishment of ongoing training programs, allowing for IT specialists from the Americas to provide training to Nigerian Universities, High Schools, and businesses.
- Passage and enforcement of the indigenization bill.

NITPA assured that different task forces around these issues are set up with implementation methods in place.

An African ICT Manifesto: Meeting the Challenge

What we described above, if implemented expeditiously across African countries, amounts to an Information Technology Manifesto. For instance, with one out of every five Africans being a Nigerian, a population of 125 million, and over 2 million Nigerians outside the country, most in developed nations, Nigeria and all of Africa has abundant human resources that if harnessed well, will provide more income for the country than oil and gas.

Case in point is the much debated Indian model. Today's reality is one of networks of high skilled workers and entrepreneurs, moving back and forth between different nodes of production and innovation. Many people who come to Silicon Valley from Bangalore go back to Bangalore and to India, set up companies, and live between California and India. The same process is happening between the United States and Taiwan, Singapore, Israel, Mexico, China, and lately, Russia. The key here is to adapt same model of "African-Diaspora Networks", bringing in African talents

from around the world into these networks, so that ultimately innovation works back and forth regardless of boundaries. At the end, all earned incomes are retained in Africa, and more particularly, all project experiences and expertise are recycled among our people. We have for so long allowed expertise skills acquired in the process of building our systems, installing our networks and maintaining our infrastructures taken out of the continent at the end of each project cycle, only for us to require the same skill set from yet another foreign company months down the line. Our technological survival, the future of our development is in our hands. Africa must rise and meet this challenge, and we believe that the NEPAD and other African initiatives constitute a good foundation for African emergence. All progress-loving Africans must look forward to future implementation of sustainable ICT strategies leading to a bright ICT future for the continent.

Dr. Aniebonam is a faculty member in the Information Systems and Analysis Department, Howard University School of Business. He holds a Doctoral degree in Computer Systems Information Management from the School of Engineering, The George Washington University, and a Masters and Baccalaureate degree in Computer Science and Information Systems. Dr. Aniebonam is an expert instructor in the areas of Data Structures, Algorithmic Analysis, and Relational Data Models.

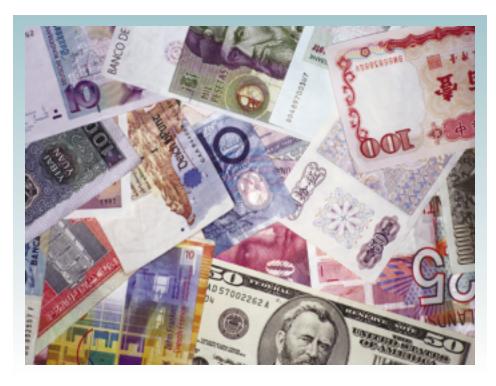


Unified Financial Services Regulation *The Unfolding Debate*

By Dr. Kenneth K. Mwenda

The main thrust of the academic debate concerning unified financial services supervision was started in the UK. More recently, international organizations have taken an interest in the subject. Some of the issues, on unified financial services supervision, confronting countries the world-over are whether to adopt unified supervision and, if so, how to structure the institutional and regulatory framework for unified agencies. At the outset, it must be pointed out that issues of regulatory organization are essentially second order issues. Far more important-and the first order issue-is the implementation of financial regulation, in particular supervisory capacity and its quality and the soundness of the legal framework underlying the regulatory process.

Over the years financial regulation and supervision in many countries has been organized around specialist agencies that have distinct and separate responsibilities for banking, securities and insurance sectors. But there has been an apparent trend towards restructuring the financial supervisory function in many countries in recent years, and in particular unified regulatory agencies-that is, agencies that supervise two or more of these areas.



This article provides an exploratory study of some of the more recent contributions to the debate on unified financial services supervision. The article shows that unified financial services supervision has been adopted differently in many countries and that its application has varied from country to country. There is, indeed, no single right way of introducing or implementing unified models of financial services supervision. In Africa, for example, Mauritius has legislation which provides for the establishment of that country's unified financial services regulatory agency. South Africa, too, has a model of [partially unified financial services supervision. In the case of South Africa, the securities and insurance sectors have a common regulator, while banks are regulated by a specialist agency. In Nigeria, the regulation of pension funds and banking business is undertaken within the same regulatory agency, while the regulation of securities and insurance business is done by separate agencies. Zambia is another



African country that has a partially unified supervisory system. While the Central Bank of Zambia regulates financial institutions such as banks, building societies and bureau de change, the Zambia Securities and Exchange Commission is responsible for securities regulation. The experience of Africa, hitherto, shows that a good number of African countries are leaning towards partial unification.

Worldwide, experience shows that in order for a country to manage effectively the transition to a unified supervisory agency, one of the factors to consider includes the effective and efficient co-ordination of information sharing among the major stakeholders in the unified supervisory system, namely, the Ministry of Finance, the central bank, and the unified supervisory agency. Also, if there is an independent deposit insurance agency and an independent payments and settlements clearing agency, they, too, must be consulted. Co-ordination and consultation here provides for efficient means of sharing information between the various stakeholders.

Indeed, different countries have approached the introduction and implementation of unified financial services supervision differently. In those countries where segments of the financial sector are quite inter-connected, a good case of moving towards unified supervision exists. In these countries, the nature of banking and financial services business is often developing and encompasses more complex and multi-functional operations. However, until there is a

longer track record of experience with unified agencies, it is difficult to come to firm conclusions about the restructuring process itself, and the optimal internal structure of such agencies.

A network of unified supervisors, comprising mainly supervisors from developed countries and transition economies, has now been set up. Members of this network have been meeting in various parts of the world to share, among other things, some lessons on unified financial services supervision. In July 2001, a meeting held in Tallinn, Estonia, organized by the supervisory agency of Estonia-in collaboration with the World Bankalso brought together a group of practitioners from unified agencies. A number of papers presented at this conference provided more up to date discussions on apparent trends in unified supervision world-wide.

Mwenda and Fleming (2001), taking stock of the various contributions by scholars and practitioners prior to 2001, examine the institutional and structural issues facing unified financial services agencies in the United Kingdom, Canada, Hungary, Iceland and Scandinavian countries. The learned authors argue that, although a good case of moving towards unified supervision exists in countries where segments of the financial sector are quite inter-connected, until there is a longer track record of experience with unified agencies, it is difficult to come to firm conclusions about the restructuring process itself and the optimal internal structure of such

agencies.

Kawai (2001) observes that the international body responsible for setting international standards on banking supervision differs from the international bodies responsible for setting international standards on insurance and securities regulation, respectively. He argues that while the Basle Committee for Banking Supervision is responsible for banking supervision standards, the International Association of Insurance Supervisors (IAIS) is responsible for insurance standards and the International Organization of securities Commissions (IOSCO) for securities regulatory standards. Kawai argues that while insurance supervisors, for example, focus more on techniques for assessing 'risk', securities regulators are pre-occupied with 'information disclosure' requirements. However, to promote economies of scope here there is need to coordinate risk management by pulling together the efforts of all these three bodies.

Trink (2001:3) observes that it is not the institutional structure of the regulator that creates effective and efficient supervision. The institutional structure serves only as a prerequisite for effective and efficient financial services supervision. In Estonia, as part of the preparations for setting up a unified regulator, it was argued that (see Trink 2001:4) 'in a small economy, the unified agency should first, be better able to supervise large financial groups, since the Estonian financial sector is very much dominated by a few universal banks active in all seg-



and securities regulation, respectively. He argues that while the Basle Committee for Banking Supervision is responsible for banking supervision standards, the International Association of Insurance Supervisors (IAIS) is responsible for insurance standards and the International Organization of securities Commissions (IOSCO) for securities regulatory standards. Kawai argues that while insurance supervisors, for example, focus more on techniques for assessing 'risk', securities regulators are pre-occupied with 'information disclosure' requirements. However, to promote economies of scope here there is need to coordinate risk management by pulling together the efforts of all these three bodies.

Trink (2001:3) observes that it is not the institutional structure of the regulator that creates effective and efficient supervision. The institutional structure serves only as a prerequisite for effective and efficient financial services supervision. In Estonia, as part of the preparations for setting up a unified regulator, it was argued that (see Trink 2001:4) 'in a small economy, the unified agency should first, be better able to supervise large financial groups, since the Estonian financial sector is very much dominated by a few universal banks active in all segments of the financial sector; second, be better placed to attract qualified staff and other resources to guarantee an equal level of supervision in banking, securities and insurance sectors; third, have more authority and independence to be more effective in car-

Worldwide, experience shows that in order for a country to manage effectively the transition to a unified supervisory agency, one of the factors to consider includes the effective and efficient coordination of information sharing among the major stakeholders in the unified supervisory system. rying out supervision; and fourth, be better placed to prevent regulatory arbitrage.'

With the setting up of an integrated supervisory authority in Estonia (see Kraft 2001:8), the Bank of Estonia will now be working closely with this new agency. The Bank of Estonia will, however, retain the responsibility of regulating the banking sector. Kraft (2001:10) argues that since the pan-European consolidation of the banking industry in Europe has resulted in rapid increase of cross-border ownership of banks, the question of co-operation between central banks and supervisors is now a key factor in maintaining sound financial systems.

In Norway, one of the reasons for establishing an integrated supervisory authority (Halvorsen 2001:4) was to strengthen the supervision of insurers. In Ireland, by contrast, a number of factors made the reform of the Irish regulatory system a political imperative. In Ireland's case, as McDowell (2001:4) observes, first, the increasing pace of integration, on an international and European level, of banking and insurance services, and, secondly and not wholly unrelated - the establishment in Dublin of the **International Financial Services** Centre (IFSC) were both factors that provided an impetus for the unification of financial services supervision. A third factor was a public perception in Ireland that financial regulation was being conducted by the central bank and by the insurance regulatory mechanism with a primary focus on solvency and prudential matters and



debate on the introduction of a unified regulator in each country inevitably reflects country-specific factors and the currently prevailing institutional structure. He points out arguments which have influenced countries to set up unified regulators, and these include the emergence of financial innovation and structural change in the financial system; the emergence of financial conglomerates; the occurrence of financial failures; the complexity and extensiveness of objectives behind regulation in some countries; the emergence of new financial markets; and the increasing internationalization of financial operations. In setting up the institutional structure of a regulatory system, Llewellyn (2001:4) observes, a country should consider issues such as the appropriate number of regulatory agencies; the appropriate structure of regulatory agencies (that is, which firms and functions are to be allocated to which agencies, and how the objectives for each agency are to be defined); the degree of co-ordination, co-operation and information sharing between different agencies; the effect of the institutional structure on the cost of regulation; the role of competition authorities in the regulatory process; the role to be given to self-regulation and mechanisms for practitioner in-put; the institutional mechanisms for facilitating efficiently the international co-ordination and co-operation of national regulatory agencies; and the independence and accountability of the regulatory agencies.

Llewellyn (2001:7-8) proceeds to advance reasons in support of the introduction of a unified regulator. On the one hand, he argues in favor of prospects for: (a) the introduction of economies of scale within the regulatory agency (most especially with respect to skill requirement); (b) the introduction of economies of scope (or synergies) to be reaped between different functional areas of regulation; (c) the introduction of a simplified single regulator whose system of operation is user-friendly to firms being regulated and to consumers as well; (d) the introduction of a regulatory structure which mirrors the business of regulated institutions; (e) the avoidance of problems of competitive inequality, inconsistencies, duplication, overlap, and gaps which can arise with a regime based upon several agencies; (f) the rational utilization of scarce human resources and expertise; (g) more effective accountability under a single (and simplified) regulatory agency; and (h) the reduction of costs imposed upon regulated firms to the extent that these firms would need to deal with only a single regulator.

On the other hand, Llewellyn is quick to point out some of the possible shortcomings of a unified regulator. He observes (2001:9-10) that such shortcomings include the views that there can be: (a) erosion of traditional functional distinctions between financial institutions; (b) the lack of clear focus on the objectives and rationale of regulation (that is, not making the

necessary differentiations between different types of institutions and businesses, e.g. the distinction between wholesale and retail business); (c) possibilities of cultural conflict in the unified agency since regulators come from different sectoral backgrounds; (d) possibilities of creating an overly bureaucratic single regulator that has excessive and over-concentrated power; (e) possibilities of creating a moral hazard that portrays a picture that the risk spectrum among financial institutions has disappeared or become blurred; and (f) possibilities of actually watering down the concept of 'economies of scale' by creating an inefficient and monopolistic single regulator.

Briault (2001:4) observes that in the case of the UK (a detailed study of the UK position has been provided already in this paper) the four statutory objectives of UK's newly created unified regulator, the Financial Services Authority, are as follows:

(a) to maintain confidence in the financial system;

(b) to promote public understanding of the financial system, including the awareness of the benefits and risks associated with different kinds of investment or other financial dealing; (c) to secure the appropriate degree of protection for consumers, having regard to the degrees of risk in different kinds of investment or other transaction, the differing degrees of experience and expertise that different consumers may have in relation to different kinds of regulated activity, the



needs consumers may have for advice and accurate information, and the general principle that consumers should take responsibility for their decisions; and

(d) to reduce the extent to which it is possible for a financial services firm to be used for a purpose connected with financial crime.

While unified supervisory agencies in countries such as Denmark are not closely linked to operations of the central bank (see Bjerre-Nielsen 2001:11), the UK Financial Services Authority co-operates closely, and exchanges information, with the Bank of England and the Treasury. A Memorandum of Understanding, agreed and published in 1997, provides a framework for co-ordination of functions involving the UK Financial Services Authority, the Bank of England and the Treasury. A similar arrangement is present in countries such as Hungary.

Nigeria has a partial unification model. The Nigerian Federal Reserve Bank supervises, in addition to banks, pension funds. Mauritius, too, has recently gone that route, creating a unified regulatory agency. Zambia has a partial unification system; established through its focus on pension funds and insurance business supervisory agencies only. South Africa is considering a similar course of action.

It might be too early for anyone to draw firm conclusions on the experiences of the aforementioned African countries with unified financial services supervision given that this concept is relatively new to many developing countries and, in particular, to many on the continent of Africa. Regarding the continent as a whole, it is, at this time, difficult to adequately discuss the unification of financial services due to the problem of limited availability of data. Moreover, the concept of unified financial services remains a new concept in many parts of Africa and the world, including Europe.

Dr. Mwenda is currently employed with The World Bank in Washington D.C. He is a Rhodes Scholar, Advocate of the High Court for Zambia, and former Lecturer in Law in the University of Warwick, UK. Dr. Mwenda has served as Visiting Professor of Law both at Miskolc University, Hungary, and the University of Zambia.

References

Bjerre-Nielsen, H, *Objectives, functions and structure of an integrated supervisory authority*, 2001 July, Tallinn: a paper presented at a conference on the challenges of unified financial supervision in the new millennium.

Briault C, *Building a single financial services regulator*, 2001 July, Tallinn: a paper presented at a conference on the challenges of unified financial supervision in the new millennium.

Halvorsen, M.G, *Process of merging different supervisory agencies*, 2001 July, Tallinn: a paper presented at a conference on the challenges of unified financial supervision in the new millennium.

Kawai Y, Global cooperation of supervision in the three financial sectors, 2001 July, Tallinn: a paper presented at a conference on the challenges of unified financial supervision in the new millennium.

Kraft, V, Safeguarding financial stability - key issues for the central bank, 2001 July, Tallinn: a paper presented at a conference on the challenges of unified financial supervision in the new millennium.

Llewellyn, D.T, *The creation of a single financial regulatory agency in Estonia: the global context*, 2001 July, Tallinn: a paper presented at a conference on the challenges of unified financial supervision in the new millennium.

Mwenda, K.K, and Fleming, A, *International developments in the organizational structure of financial services supervision*, 2001 July, Tallinn: a paper presented at a conference on the challenges of unified financial supervision in the new millennium.

Trink, A, Challenges for Estonian Unified Financial Sector Supervision, 2001 July, Tallinn: a paper presented at a conference on the challenges of unified financial supervision in the new millennium.



Benefits of Embryonic Stem Cell Research

By Dr. Udo Schuklenk and Mr. Jason Lott

Stem cells-undifferentiated cells that can divide and differentiate to replace dead or dying cells-are not a recent discovery. Scientists have long known about adult stem cells, such as those found in bone marrow actively replenishing red blood cells, and have used them in a variety of therapeutic/curative procedures, including bone marrow transplants for the treatment of leukemia and skin grafts for burn victims. The utility of adult stem cell therapy has not extended far beyond these limited examples, however, and will likely not do so in the near future, as recent studies have suggested that adult stem cells may be less versatile than previously thought.1

Unlike adult stem cells, embryonic stem cells, derived from the inner mass of embryos only 100-200 cells large, can differentiate into any type of tissue and offer scientists the requisite versatility to conquer a broad spectrum of illnesses, including (but not limited to) Alzheimer's, Parkinson's, cystic fibrosis, retinitis, and organ failure.

Finding cures for the first three highlights the most promising and immediate gains predicted from embryonic stem cell research, namely the ability to cure any disease resulting from or accompanying loss of specific cell types. New cells would be produced



in the laboratory and then injected into the targeted tissue to slow and eventually halt the progression of the disease.² Moreover, substantial tissue could be regenerated in vivo to restore the body to its original, pre-disease condition, as though the disease had never happened.

In addition to these therapies, embryonic stem cell research may also aid patients in need of a transplant. There are currently over eighty-four thousand people waiting for an organ transplant in the United States, with little hope of success.³ The situation is even worse in South Africa, where only a few hundred persons

donate organs each year.⁴ Initiatives intended to increase organ donation have done little to increase supply, and, ethical concerns notwithstanding⁵ development of effective xenotransplantation techniques has proven disappointing, as have other approaches.⁶ Meanwhile, the demand for organs has steadily increased with no indication of decline.

Embryonic stem cells will allow researchers to grow their own organ supply, discounting the future need for organ donation.⁷ By teasing these cells to differentiate into liver or kidney cells, for example, and providing the appropriate scaffolding, extracel-



lular environment, etc., a whole liver or kidney will be created in the laboratory that exactly matches the genetic code of the intended recipient, removing the need for costly postoperative immunosuppressive drug therapy. Alternatively, this same drug therapy could be employed to make any organ created from embryonic stem cells compatible with the intended recipient, suggesting a more immediate solution to shortage problems and offering a mechanism to "stockpile" organs for future use. International Controversy

Despite its therapeutic potential, embryonic stem cell research has become the latest victim in an international debate focused on the moral status of the embryo. Accordingly, most of the arguments against embryonic stem cell research are closely related to those voiced during the height of the abortion debate decades earlier and reflect similar religious concerns.

Catholics, for example, condemn this research, claiming it "cannibalizes" embryos "for their spare parts while still alive."8 This is not surprising, since most Catholics believe that life begins at conception and embryos are "little persons" to be treated with unconditional respect. Since extraction of stem cells involves the destruction of the embryo, most Catholics consider it outright murder, prompting the Pope to warn US President George Bush against "this assault on human life." Instead, the Pope has urged Bush to reject "practices that devalue and violate human life at any

stage from conception until natural death," fearing embryonic stem cell research will lead "to accommodation and acquiescence in the face of other related evils."

Other conservative Christian leaders in the United States describe the research as "embryo farming" which kills "defenseless human beings for the possible benefit to others." ¹⁰ Similar sentiments have been echoed across Europe, prompting Austria, Ireland, Italy, and Denmark to effectively ban embryonic stem cell research, with other countries introducing legislation to do the same. ¹¹

Though we find these concerns unconvincing, we shall not attempt a comprehensive defense of embryonic stem cell research, as it would demand deeper philosophical analysis beyond the scope of this article. We only wish to indicate the direction this debate has taken thus far in the international arena. Suffice it to say, however, that we have difficulty accepting positions that ask us to believe that an embryo consisting of only a few hundred cells constitutes a person and that it should be treated as such. Given that the embryo does not have the capacity to suffer, we fail to see how such a being could possibly be harmed when it is destroyed in the process of stem cell research. Accordingly, we reject arguments defending the moral status of the embryo, for we believe it has none.

South African Concerns

Interestingly, the South African government has backed a ban on embry-

onic stem cell research for other reasons. According to Dr. Eddie Mhlanga, Chief of Maternal, Child and Women's Health in the National Health Department, embryonic stem cell research poses a different moral problem, representing a window of opportunity for large Western corporations to exploit impoverished South African women, mining their bodies for embryos to be developed into stem cell lines and shipped elsewhere for research purposes. Dr. Mhlanga says this is "not OK," since money from this research will likely never find its way back to South African shores and benefit the women from which the embryos were taken.¹² Better to never allow the research in the country, he argues, than permit South Africa to become another petri dish for greedy Western doctors.

Though tempting, the government's concern cannot be dismissed as paranoia resulting from ignorance or misinformation. International concerns over embryonic stem cell research have landed some countries in an awkward position. While for instance the UK has approved destructive research on human embryos, the United States and Germany, for example, have been forced to balance the predicted benefits embryonic stem cell research against the worries of their conservative constituencies. Their solution is a compromise: forbidding the extraction of stem cells within their respective countries, but allowing embryonic stem cell lines to be imported from elsewhere. The former has allowed embryonic stem cell



research to continue on approximately 68 cell lines already in existence and forbids generation of any new cell lines. No law exists, however, prohibiting research on stem cells derived from embryos outside the United States. The same is true for Germany, which has explicitly encouraged researchers to seek out stem cell lines from other countries. 13 This compromise will likely be adopted by other developed nations hoping to satisfy both the religious right, who seem to be unconcerned with embryos born outside their national borders, and the medical community, whose original research agendas may continue unaffected.

It is understandable that Mhlanga worries that the United States, Germany, and other countries may look elsewhere, for instance in South Africa for embryonic stem cell lines, convincing poor women to hand over their embryos in exchange for a small sum of money. Stem cells would then be extracted from these embryos and carted back to the United States or Germany, for example, where scientists could complete the remainder of their research legally. The developed countries would ultimately receive most of the profits, while South African women would get a few thousand Rand.

Addressing South African Concerns

An immediate problem with Mhlanga's objection, however, is that it could be leveled against any pharmaceutical research initiative currently underway in South Africa. Worries of exploitation naturally accompany any endeavor between economically disparate countries, but these worries alone do not justify outright rejection of projects in which both parties could benefit. If the South African

Despite its
therapeutic
potential,
embryonic
stem cell research
has become the
latest victim in an
international
debate focused
on the moral status
of the embryo.

government is prepared to ban embryonic stem cell research for fears of exploitation, it should be equally willing to stop all locally conducted pharmaceutical research sponsored from abroad, since the same risk invariably accompanies all such clinical trials.

Subjecting embryonic stem cell research proposals to intense ethical review should insure, as much as in any other country, that participants are not exploited. Furthermore, the predicted therapeutic benefits would accrue primarily to the participants themselves, though the basic techniques of cell differentiation, maturation, implantation, etc. would inevitably extend beyond any given donor's cell line. The advanced stages of the research would involve implanting donor cells back into targeted tissues of donors to provide genetically specific cures designed for each individual, not entire populations. Hence stem cells extracted from a South African embryo donor suffering from cirrhosis could be used only to treat that donor's liver disease and no one else's. This reduces the risk of exploitation compared to most pharmaceutical trials, where half of the subjects-those receiving a placebo or control-experience few, if any, medical benefits. Furthermore, international research ethics guidelines such as the Declaration of Helsinki, but also the South African Department of Health good clinical practice guidelines demand some form of benefit sharing with the research participants. It should be up to our local ethical review committees to ensure that this is happening. Indeed, even countries with substantially weaker research ethics committees such as India, for example, have decided that it would be too hard a blow to their own genetics research capacity to outlaw stem cell research.14



It also seems somewhat naïve to believe that even the strictest ethical review could prevent an evil US or German scientist from running away stem cells extracted from South African women, but it seems equally naïve to believe that most scientists are bad people seeking to harm others. Well-monitored clinical trials are the best anyone, in any country, can hope for, and promising medical advancements should not be forgone in the face of minimal danger. Adopting a zero-risk research policy for South Africa means accepting a zero-chance future of improvement and success.

Resisting Paternalism

However, let us suppose, for arguments sake, that Mhlanga's worst fears become reality, and stem cell scientists begin paying poor South African women a few thousand Rand (the price could be much higher) in exchange for embryonic stem cells. Is this necessarily a bad thing?¹⁵

Mhlanga unhesitatingly calls this exploitation, but the reality is that most of these women could use this money to buy much needed food, shelter, medical attention, etc.

Assuming that most potential volunteers are rational agents who can make decisions on their own, why should the government endorse paternalistic legislation that decides for them, effectively mandating the closure of a financial opportunity that would otherwise benefit them greatly?

Unlike other medical procedures (such as the removal of a kidney),

procuring an embryo from a mother's womb is a simple procedure less dangerous than most daily activities. Driving a taxi, working in a fast food restaurant, selling newspapers on the street, etc. are all more likely to cause death or serious injury. Since we are comfortable allowing women to work in these sorts of circumstances, where success entails little financial compensation, we should also be comfortable allowing women to participate in this research for substantial monetary reward. To do otherwise is to admit of inconsistency, and leaves the women in question none the richer.

Is embryo stem cell research based on embryos necessary?

Researchers such as Alan Trounson, Australia's leading stem cell researcher, have argued that quite possibly embryo stem cell research relying time and again on embryos may become unnecessary sooner rather than later. He believes that strong pragmatic reasons make Mhlanga's worries pointless, namely the difficulty of obtaining large numbers of donor eggs, and the fact that stem cells would be useful only to the donor, hence resulting into a time-consuming and quite expensive process.16 His argument is based on the view that it might be possible to grow a sufficient number of stem cell lines from already existing 'spare' IVF embryos. These would be discarded eventually in any case, hence even if one accepted that there is something morally reprehensible about people growing embryos solely for the purpose of

destructive research, nothing much could possibly be said against the use of such surplus embryos that would be destroyed no matter what. This strategy is very much in line with what is currently proposed in the ethics guidelines on genetics research developed by the South African Medical Research Council. It would allow the use of such 'surplus' embryos for research purposes. If Trounson is correct, such research purposes would undoubtedly include the development of stem cell lines grown from such material. This would soon render fears such as those expressed by Mhlanga pointless, because there would be no appreciable demand and market in the first place for rent-awomb type science. Under these circumstances all that would be achieved by a ban on stem cell research is to ensure that geneticists outside South Africa will likely succeed in developing highly lucrative new drugs while our local geneticists either sit idle by or leave the country altogether.

Modifying the National Health Bill

Refusing to modify the National Health Bill to allow for embryonic stem cell research poses a much greater risk to South Africa than any threats of exploitation. Currently, US and German scientists are flocking to the United Kingdom because of their liberal stem cell research policies, bringing their expertise and financial backing along with them. As a result, the UK will likely become an international leader in embryonic stem cell



research, simply because they didn't say "No."

South Africa shouldn't say "No," either. With many countries adopting obtuse stem cell research policies motivated by religious naysayers, South Africa has the opportunity to join the UK as among the few nations possessing enough foresight to endorse this initiative. The payoff will not only be an influx of eager scientists and research money but also the chance to become a global leader in stem cell therapies, thrusting South Africa to the forefront of the medical community and helping its people live healthier lives.

None of this is possible if the current draft of the National Health Bill becomes law. Therefore we ask the government to rethink its position and opt instead for a permissive policy that protects the rights of South Africans while acknowledging the potential benefits of this research. It is an opportunity South Africa cannot afford to miss.

Dr. Schuklenk is currently a Professor of Bioethics and Human Rights at the University of Witwatersrand in South Africa. Prior to his current post, he worked at Monash University's Centre for Human Bioethics as well as at the University of Central Lancashire's Centre for Professional Ethics. He is currently a joint editor of Bioethics and editor of Developing World Bioethics. This article originally published in the South African Medical Journal.

References

- ¹ Terada, N. et al. Bone Marrow Cells Adopt the Phenotype of Other Cells by Spontaneous Cell Fusion. Nature 2002; 416: 542-545
- ² Holm, S. Going to the Roots of the Stem Cell Controversy. Bioethics 2002; 16: 493-507.
- ³ Based on OPTN data as of July 23, 2002.
- Netcare Transplant Division, http://www.netcare.co.za/html/services/Transplant.htm, July 23, 2002.
- Chadwick R, Schuklenk U. Organ Transplants and Xenotransplantation. In: Chadwick R (ed). The Concise Encyclopedia of the Ethics of New Technologies. Academic Press: San Diego 2001: 327-333.
- Collignon P, Purdy L. Xenografts: Are the Risks So Great That We Should Not Proceed? Microbes Infect 2001; 3: 341-48
- ⁷ Holm S. Op cit.
- ⁸ Savulescu, J. The Embryonic Stem Cell Lottery and the Cannibalization of Human Beings. Bioethics 2002; 16: 508-529.
- Pope Warns Bush on Stem Cells. BBC News, http://news.bbc.co.uk/1/hi/world/europe/1452314.stm, July 23, 2001
- US Religious Leaders Divided Over Bush's Stem Cell Decision., http://www.episcopalchurch.org/ens/2001-223.html, Aug. 21, 2001.
- World Reacts to US Stem Cell Plan. AP Newswire, August 10, 2001.
- Altenroxel, L. State, MRC Set for New Clash Over Stem Cells. The Star, April 12, 2002.
- Stafford, N. Germany's Strict New Stem Cell Law Takes Effect, Reuters, July 11, 2002.
- Sharma, M. Secretary Dep of Biotechnology, Ministry of Science & Technology. Biotechnology, Potential Stem Cell and Embryonic Research, International Competition and Globalised Markets. Presentation to Bioethics Expert Roundtable hosted by German and French Foreign Ministries, Berlin June 03-04, 2002.
- Dickert, N., Grady, C. What's the Price of a Research Subject? Approaches to Payment for Research Participation. N Engl J Med 1999; 341:198-203.
- Noble T. Stem-cell cloning not needed, says scientist. In: The Age (Melbourne, Australia) July 29, 2002: A2.

Jason Lott, a recent graduate of the University of Alabama-Birmingham, is currently serving his term as a Marshall Scholar studying Economics. Prior to contributing to this article, he developed computational models of neural processes at Carnegie Mellon University and New York University.