



Sub-regional Office for Southern Africa



REGIONAL CONFERENCE:

Corruption and the Challenge of Economic Transformation in Southern Africa

Dates: 4- 6 July 2018

Venue: Gaborone, Botswana

Call for Abstracts/Papers

The United Nations Economic Commission for Africa (ECA), Sub-regional Office for Southern Africa (SRO-SA) in collaboration with the African Union Southern Africa Regional Office (AU-SARO) are organising a regional conference on: *Corruption and the Challenge of Economic Transformation in Southern Africa* from 4 - 6 July, 2018. The conference will bring together academics, high-level government officials from member States, members of the private sector, CSOs, NGOs, anti-corruption institutions, research institutions, invited legislators and members of the judiciary, as well as regional and international organizations.

Not only timely but of imperative necessity, the conference resonates with the declaration of 2018 by the African Union as the year of anti-corruption¹ on the theme; *“Winning the Fight against Corruption: A Sustainable Path to Africa’s Transformation.”* Although Africa since the 1980s has crafted economic development blueprints like the Lagos Plan of Action and the Final Act of Lagos, the African Alternative Framework to the Structural Adjustment Programme (ALF-SAP), the NEPAD Document, and currently Agenda 2063, bolstered by national development plans in different African countries, the goal of economic transformation remains quite elusive. Issues of policy inconsistency, governance challenges, leadership inertia, and more importantly, corruption have stalled Africa’s efforts at radical economic

¹ The theme was declared at the AU 30th Assembly of Heads of State and Government held in Addis Ababa (22nd – 29th of January 2018).

transformation. In its varied forms (state capture, grand and petty), there is mounting evidence labeling corruption as the root of the economic hemorrhage in Africa, engendering rent and unproductive behavior in the economy, capital flight, misallocation and misappropriation of scarce resources, missed investment opportunities, retarded growth, deteriorating social services, worsening inequalities and poor governance culture, all of which undermine the goal of economic transformation in Southern Africa and Africa, in general (ECA 2016, Adejumobi, 2015)².

However, there is renewed commitment towards the goal of economic transformation in Africa. Backed by the African Union's Agenda 2063, economic transformation is being progressively adopted by African countries to direct the deployment of factors of production to more productive sectors (industrialization). In this realm, Southern African Development Community (SADC)'s Heads of State and Government endorsed the SADC Industrialization Strategy in 2015 – demonstrating their readiness to spearhead economic transformation in the sub-region. Whereas economic transformation in Africa requires massive investment in human capital and infrastructure development, Africa's investment has succumbed to corruption-induced illicit financial flows. Estimates by the AU and the ECA in the 2016 Report of the High Level Panel on Illicit Financial Flows from Africa shows that, illicit financial flows in Africa over the past 50 years exceeds \$1 trillion (an amount nearly matching the total ODA received by Africa over the same period). Additionally, approximately \$50 billion is lost from Africa annually through illicit financial flows instead of augmenting domestic resource mobilization (DRM) and investment. On account of corruption, the average African growth rate of 5% per year since 2000 to around 2012, remains below the 2-digit growth rate which transformed Asian economies (ECA 2016).

Noting the grievous welfare³ and economic effects of corruption, the United Nations enacted the United Nations Convention Against Corruption (UNCAC). At a regional level, AU has set in motion a number of initiatives meant to combat corruption (African Convention on Preventing and Combating Corruption (AUCPCC), AU Advisory Board on Corruption (AUBC) and the African Charter on Democracy, Elections and Governance (ACDEG)). At sub-regional level, SADC introduced the SADC Protocol against Corruption in 2001 as a way of preventing, identifying, penalizing and stamping out corruption. At national level, nearly all Southern African Member States have established bodies, institutions and legislatures meant to eliminate corruption. Despite the concerted effort, corruption in Southern Africa has continued unabatedly.

A 2017 study on the effectiveness of anti-corruption agencies in Southern Africa conducted by the Open Society Initiative for Southern Africa (OSISA) noted that corruption in Southern Africa obstructs transparency in governments' revenues and in mining contracts, allows illicit exploitation of minerals and militarization of mining, the smuggling of minerals, political patronage and clientelism, as well as political and electoral corruption⁴. Transparency

² . See, ECA, *African Governance Report IV: Measuring Corruption in Africa: The International Dimensions Matter*. (Addis Ababa: UNECA, 2016), and Said Adejumobi, "The Political Economy of Corruption: A Theoretical Interpretation", in S. Adejumobi (Ed.), *Democratic Renewal in Africa: Trends and Discourses*. (New York: Palgrave Macmillan, 2015).

³ The poor are afflicted disproportionately by corruption through the diversion of investment resources, limited governments' capacity to offer public services, propping up inequality and injustice and undermining foreign aid and investment.

⁴ A country by country account of corruption is made in the OSISA report

International's Perception Index of 2016 shows that Southern African countries have dropped in their corruption rankings⁵. Against this background, average growth for SADC has continued to fall in the recent past (2.3% in 2015 and 1.4% in 2016). Also, the manufacturing sector which is tipped to be the engine behind economic transformation in the SADC region has been sliding since 2010 (4% in 2010 and 2.6% in 2016). This evidence confirms that endemic corruption in Southern Africa is linked to the poor showing of the economy thus sweeping and radical measures to arrest corruption are highly necessary.

In this anti-corruption year and reflecting on the need to transform economies in Southern Africa, it is unavoidable to pose a number of questions; what forms and dimensions does corruption take in Southern Africa? What are the major drivers and agencies of corruption in the region? How has corruption affected the economy (domestic private investment, foreign direct investment, state revenue, capital formation, and aid flows)? How are illicit financial flows related to investment and economic growth in SADC? How is poverty related to corruption? What is the role of the legislature and judiciary in curbing corruption? Are current corruption measures capturing all the facets of corruption? What are the powers vested in anti-corruption institutions and bodies in Southern Africa and how effective are they? What initiatives have been implemented by anti-corruption bodies and what results are there to share? Is there room to improve the effectiveness of anti-corruption institutions? How is the SADC protocol on corruption being implemented? Why is corruption still on the rampage in Southern Africa? What are the key policy interventions- at the national, regional and international levels necessary in upscaling the fight against corruption and the role of key stakeholders in it? These and more questions will be addressed at the regional Conference (in the context of Southern Africa) through well formulated and methodologically-sound researches.

Sub-themes:

- 1. Conceptualization and Theoretical Perspectives on corruption and economic transformation;*
- 2. Governance, Politics, and corruption and its implications;*
- 3. The Economics of Corruption (Corruption, investment, growth, state revenue, capital formation, market trust and confidence, poverty and inequality);*
- 4. State institutions (including state owned enterprises and the public service), the private sector (MNCs and SMEs), international actors and Corruption;*

⁵ Botswana (35 down from 28 in 2015), Mauritius (50 down from 45 in 2015), Namibia (53 down from 45 in 2015), South Africa (64 down from 61 on 2015), Zambia (82 down from 76 in 2015), Lesotho (83 down from 61 in 2015), Malawi (120 down from 112 in 2015), Mozambique (142 down from 112 in 2015), Madagascar (145 down from 123 in 2015), Zimbabwe (154 down from 150 in 2015), Democratic Republic of Congo (156 down from 147 in 2015), and Angola (164 down from 163 in 2015).

5. *Legal and institutional frameworks and state capacity in combating corruption (anti-corruption institutions, horizontal accountability and audit institutions, and their practices);*
6. *Culture, Values and corruption;*
7. *Illicit financial flows: causes, trends, economic links and remedies;*
8. *The role of regional bodies in fighting corruption;*
9. *The future of fighting corruption; and*
10. *Reversing the scourge of corruption in Southern Africa*

Submission of Abstracts

Abstracts for the regional conference, not more than two pages maximum, should be submitted not later than 20th March 2018 to the email addresses below. Successful authors of abstracts will be notified by the end of March 2018.

Email: eca-dssrdc@un.org and **CC:** bayai@un.org