



Martin Ziguele

Debt relief

Responding to a question about the shortfall in the financing of the Heavily Indebted Poor Countries (HIPC) Initiative, Gamatie observed that the HIPC Initiative is a two-pillar approach—a bargain between two sides. Poor countries, he said, do not simply say they are entitled to debt relief: they must meet certain conditions. Africa has done this and now expects the IMF and the World Bank to do their share. Luisa Dias Diogo denied that the HIPC Initiative was a failure. “We should divide HIPCs into two groups—those that have reached their decision points and are aiming for the completion point and those that have benefited from the initiative. For the first group, she said, the HIPC Initiative needs to be improved and strengthened—in particular, measures are needed to bring countries to the completion point faster. She also called for flexibility on conditions, in terms of countries’ eligibility for the completion point.



Luisa Dias Diogo

No monopoly on corruption

Participants had much to say about corruption, both in Africa and elsewhere. Timothy Thahane opened by saying that debt relief must be separated from corruption. “Debt relief is justified whether or not there is corruption in a country.” That said, he noted that Africans are “committed to eliminating corruption because it is in our development interests.” But this requires cooperation, he said. “What do you do with the international co-corrupters or co-conspirators? We can deal with one partner, but somebody has to deal with the other one. We expect the world to do its part.”



Timothy Thahane

Ziguele acknowledged that Africa has bloody and corrupt regimes, as well as virtuous opposition to them. What happens in Africa, he said, “is that those who believe in democracy and the power of the people meet the periphery, those who believe that there can be shortcuts to power. This is a reality we must address. We must all ensure that African elites, leaders, accept the theory based on respect for the results of elections and for everyone to await their turn.” But, he stressed, “it is not simply African leaders who are corrupt. Proposals for corruption also come from elsewhere. Corruption is a form of gangrene, which is linked to poverty, low salaries, irregularities.”

Concurring with Ziguele, Gamatie said that “one speaks of corruption only in Africa, but Africa is not the only corrupt continent. It is an international phenom-

non.” Nonetheless, he acknowledged that Africa needs laws and rules, and these are beginning to take shape.

A new wind blowing?

More than one finance minister noticed a major change in the policies of Western countries and in their attitudes toward Africa, including “a willingness to understand African problems and not see Africa as a single country.” On democracy, Bessa said that all Africans favor democracy but are opposed to being forced to work too quickly and face conflicts of interest. The NEPAD initiative, he concluded, could contribute to the solution of some of Africa’s problems. There is an enormous outpouring of good political will on the part of African countries, and, if NEPAD finds the necessary support among the Western powers, Africa will be able to enter into a period of greater stability. ■

David Burton to head IMF’s Asia and Pacific Department

IMF Managing Director Horst Köhler on September 30 appointed David Burton to head the organization’s Asia and Pacific Department. Burton, who succeeds Yusuke

Horiguchi, is a U.K. national and has 21 years of experience in the IMF. In the course of his career, he has served in the IMF’s Middle Eastern, Asia and Pacific, and Policy Development and Review Departments as well as Advisor to



the IMF’s First Deputy Managing Director. He studied at London School of Economics and University of Manchester and holds a doctorate in economics from University of Western Ontario.

Köhler noted that “in David Burton we have what we need for the Asia and Pacific Department. In the six years he spent in that department, he worked, among other countries, on India, China, and the Philippines. In late 1997, he was closely involved with the Korean debt restructuring operation and in the spring of 1998 he became co-chief of our missions to Indonesia.”

The full text of IMF Press Release No. 02/47 is available on the IMF’s website (www.imf.org).