

Murphy, David F. ORCID: <https://orcid.org/0000-0001-8416-5627> (2001) African enterprises and the UN Global Compact: adding value through human relationships. In: High Level Symposium on the Global Compact, 10-12 May 2001, Tunis, Tunisia. (Unpublished)

Downloaded from: <http://insight.cumbria.ac.uk/id/eprint/7411/>

Usage of any items from the University of Cumbria's institutional repository 'Insight' must conform to the following fair usage guidelines.

Any item and its associated metadata held in the University of Cumbria's institutional repository Insight (unless stated otherwise on the metadata record) may be copied, displayed or performed, and stored in line with the JISC fair dealing guidelines (available [here](#)) for educational and not-for-profit activities

provided that

- the authors, title and full bibliographic details of the item are cited clearly when any part of the work is referred to verbally or in the written form
 - a hyperlink/URL to the original Insight record of that item is included in any citations of the work
- the content is not changed in any way
- all files required for usage of the item are kept together with the main item file.

You may not

- sell any part of an item
- refer to any part of an item without citation
- amend any item or contextualise it in a way that will impugn the creator's reputation
- remove or alter the copyright statement on an item.

The full policy can be found [here](#).

Alternatively contact the University of Cumbria Repository Editor by emailing insight@cumbria.ac.uk.

**African Enterprises and the UN Global Compact:
Adding Value through Human Relationships**

In African society, technical activities are always linked with cultural and religious activities, with art and magic, if not with the realm of the mystical. In technical activities and especially in productive labour, all these have an important part to play. We are dealing with a society based essentially on human relationships.

Léopold Sédar Senghor

A paper by Dr David F. Murphy, New Academy of Business

prepared for the High-level Symposium on the Global Compact
organized by International Labour Organization,
International Organization of Employers,
Pan-African Employers Confederation and
Tunisian Union of Industry, Commerce and Artisans (UTICA)

Tunis, Tunisia

10-12 May 2001

Introduction

When the Secretary-General of the United Nations Kofi Annan invited the international business community in January 1999 to enter into a global compact with the UN and civil society, he articulated a vision of a more sustainable and just world with partnership as its cornerstone. More than two years later, some 300 enterprises worldwide have lent their support to the UN Global Compact and the core values embodied in its nine principles covering human rights, labour standards and environmental practices. Together with the UN Office of the High Commissioner on Human Rights, the International Labour Organization (ILO) and the UN Environment Programme, more than 10 leading non-governmental organizations (NGOs) and labour groups are actively supporting the Global Compact process internationally.¹

The purpose of this paper is to stimulate discussion with African employers about the role and relevance of the Global Compact for African enterprises, particularly small and medium enterprises (SMEs) and the informal sector. Furthermore, the paper will explore specific strategies and initiatives that individual African enterprises can undertake within their spheres of influence to lend support to the Global Compact.

Consistent with the partnership principles embodied in the Global Compact, this paper has been prepared by the New Academy of Business in association with the African Institute of Corporate Citizenship (AICC). The New Academy works with entrepreneurs, managers, educators, activists and policy makers to produce educational activities and resources on the social, ethical and environmental dimensions of business practice. AICC is committed to leading Africa's corporate citizenship practice and debate through its work with African companies and by stimulating and supporting public debate. The New Academy and AICC are currently collaborating with UN Volunteers (UNV) and the UN Development Programme (UNDP) on a new initiative aimed at enhancing business-community relations in eight countries, including Ghana, Nigeria and South Africa.

Setting the Context

The title of this paper 'African Enterprises and the Global Compact: Adding Value through Human Relationships' was inspired by the thinking and writing of Léopold Sédar Senghor, the former Poet-President of Senegal:

*In African society, technical activities are always linked with cultural and religious activities, with art and magic, if not with the realm of the mystical. In technical activities and especially in productive labour, all these have an important part to play. We are dealing with a society based essentially on human relationships...*²

¹ International Organization of Employers, International Confederation of Free Trade Unions, Amnesty International, Lawyers Committee for Human Rights, Human Rights Watch, IUCN, WWF-International, World Resources Institute, International Institute for Environment and Development, Regional International Networking Group, World Business Council on Sustainable Development, Prince of Wales International Business Leaders Forum, and Business for Social Responsibility.

² Senghor (1976), p. 34.

Born in 1906 in the village of Joal on Senegal's coast, Senghor was the son of a trader and became the first African to qualify to teach in French lycées and universities. He went on to have a distinguished career in education, poetry, the military and politics. The wisdom of Senghor lies in his capacity to articulate the contribution of African values to global understanding. For Senghor, the fundamental importance of 'human relationships' in Africa transforms technical transactions such as commerce and productive labour into more meaningful interactions based on cooperation, respect and joy. Writing in 1959, Senghor recalls a discussion with a Dakar industrialist who:

*complained to me a few years ago that he did not get the same output from his workers as in France. I told him to feed them well, train them well and let them sing at work. He took my advice and he did not have to wait for results.*³

The central importance of positive human relationships between employers and workers lies at the heart of the Global Compact principles, which advocate business support for international human rights and fundamental rights at work.

Senghor's vision of bringing African values to the rest of the world also embodies the principles of sustainable development implicit in the Global Compact:

*It is not a case of reviving the past so as to live in an African museum. It is a case of animating this world, here and now, with the values that come from our past First of all there is no question of denying the industrial world. It is obvious that [we] ... must create an economic infrastructure and industries.... But [we] must be careful, during this transformation of the environment, to adapt [our] methods to the reality of the soil, climate and people.*⁴

Although Senghor's words date back to 1959, they remind us that economic development needs to encompass the precautionary approach, environmental responsibility and environmentally friendly technologies, the three environmental principles in the Global Compact.

The essence of the Global Compact is a call for joint action by business, civil society and the UN based on shared values and learning. African enterprises and their social partners have important roles to play in this process and in Africa's ongoing development. The quest for mutually beneficial human relationships represents the essence of the Global Compact. Ensuring that enterprise activities in Africa are compatible with both social and ecological needs is what the Global Compact process is all about.

What are the main challenges facing the Global Compact in Africa? Why is the Global Compact relevant to African enterprises, in particular SMEs and microenterprises? How can enterprise performance be linked to the Global Compact principles? Finally, what are we asking African enterprises to do tomorrow? In our discussions at this conference, we will have many opportunities to consider these and other important questions. This paper

³ Senghor (1976), p. 79.

⁴ Senghor (1976), pp. 78-79.

represents a preliminary attempt to explore this agenda and to stimulate discussion about the role and relevance of The Global Compact for African enterprises. Léopold Senghor reminds us that “co-operation ... has always been held in honour in Africa.”⁵ In the spirit of Senghor, let us work together to make the Global Compact work for Africa.

Challenges for the Global Compact in Africa

As we begin to map an agenda for the Global Compact in Africa, it is important to consider the economic opportunities and constraints facing African enterprises in their efforts to integrate principles on human rights, labour standards and environmental sustainability into their core business practices.

Africa’s economy as a whole and indeed the various regional and national economies of the continent evoke many contrasting images. A recent cover story in *The Economist* entitled ‘Africa’s Elusive Dawn’ paints a picture of hopeless, general gloom:

Who will mend Africa? That it is in trouble is hardly in doubt. Seven or eight of its countries are convulsed by insurgencies, half a dozen more are involved in the war in the Congo, several others suffer recurrent ethnic clashes.... Just as worrying, many of the countries that have escaped such fighting are floundering economically. Half of sub-Saharan Africa’s 600m people live on just 65 cents a day, and recently they have been getting poorer. Such facts prompted us last year to call Africa “the hopeless continent”...⁶

Now let us contrast the portrayal of Africa by *The Economist* with one found in a book by Justin F. Beckett and Michael E.M. Sudarkasa published in 2000 called *Investing in Africa*:

Since the early 1990s the number of African investor success stories has increased dramatically... Although the African continent has long been dismissed as economically insignificant, recent success stories have prompted investors to take a closer look...Investors are examining this vast region of over 11 million square miles and over 750 million people and judging the economies of Africa’s 53 independent countries on their own merits... Instead of giving due attention to the positive political and economic transformations that are taking place on the continent, the majority of the stories and pictures highlight Africa’s shortcomings.⁷

Beckett and Sudarkasa reveal that in the second half of the 1990s Africa had the world’s top performing stock markets and that the continent has given birth to the most new stock markets in the past decade. While acknowledging that most of Africa’s national and regional economies have real shortcomings, the authors insist that “the information that is disseminated about Africa ... consistently presents Africa from a glass-is-half-empty perspective.”⁸ The root of the problem is that most African countries historically have not

⁵ Senghor (1976), p. 100.

⁶ *The Economist* (2001), p. 17.

⁷ Beckett and Sudarkasa (2000), pp. 18-19.

⁸ Beckett and Sudarkasa (2000), p. 19.

had the financial and technical capacity “to present their own images to the world.” Global media images of Africa are still largely shaped by the interpretations of former colonialists. Africa’s colonial legacy therefore continues to influence contemporary perceptions of the continent’s economic, social and political progress.

Let us now take a brief look at the prospects for the Global Compact on the continent by looking at relevant historical and current trends.

Pre-Independence Perspectives

Most African countries share similar economic structures because they largely have a common history. Until the beginning of the 20th century African economies could predominantly be characterized as subsistence agriculture using traditional farming methods. Isolated, but vibrant, trading economies did however exist along Africa’s west and east coasts, on trans-Saharan routes, and in Cape Town.

Africa’s trading heritage is also evident in the continent’s ubiquitous local markets which have been lively places of commercial activity for centuries. Throughout Africa, market traders and their customers continue to gather to negotiate mutually acceptable, fair prices for goods and services. Engaging sole traders and enterprises from this predominantly informal sector in the Global Compact process will be a major challenge. The Global Compact has the potential to build upon the human relationships of traditional marketplaces and encourage African traders to provide workers and the environment with their own ‘fair deals’.

The advent of colonial rule in Africa brought with it three powerful, tradition-shattering ideas which have had a dramatic influence on traditional economic, political and institutional structures and which have remained, despite years of African independence (Todaro, 1994). Concepts such as private property and personal taxation and the idea that tax should be paid in money and not in kind, served to erode the autonomy of local communities and exposed communities to new forms of exploitation. In order to pay their tax, many Africans were forced to seek work in mines, on plantations and farms or in towns and provided a cheap form of labour. This loss of local tradition and the shift from rural to urban forms of productive labour are among many colonial legacies that will influence contemporary efforts to promote the Global Compact principles.

While colonialism shaped the structure of most African countries, Apartheid determined the structure of the South African economy. The policy of segregation and job-reservation for whites disempowered the Black, Indian and Coloured communities in South Africa which make up the vast majority of the population. Despite current efforts to promote black empowerment, much work remains to be done to overcome South Africa’s history of segregation and discrimination.

Another major legacy of the colonial era can be found in Africa’s history of supplying raw materials to Europe and the emergence of dual economies. While a ‘modern’ economy developed around primary production of agricultural products and mineral extraction and which was largely export focused and controlled by large corporations, the majority of

Africans continued to live and work in the traditional subsistence agricultural economy. A legacy of colonialism that still remains today is that government administration is largely focused on the urban areas and generally does not extend to the rural areas (Herbst, 1996). The implication for the Global Compact is that dissemination of the programme to businesses operating in rural areas can prove difficult without an existing administrative infrastructure.

Within their spheres of influence, African enterprises are well placed to support community and civil society efforts to protect and uphold human rights, worker welfare and environmental protection. The Global Compact offers African business leaders a powerful tool to promote human rights and anti-discrimination policies in the workplace. There would also appear to be considerable scope for using one of the Global Compact's forums – the Global Issues Dialogue – to address the impact of the colonial and Apartheid legacies on contemporary efforts to implement the Global Compact principles.

Post-Independence Transitions

By 1970 most African countries had achieved political independence, however, their economies had largely been structured to provide cheap raw materials to northern industrialized countries while serving as markets for more expensive, value-added manufactured products, goods and services. In an attempt at greater self-reliance many African countries (including Nigeria, Ghana, Zambia and Tanzania) embarked on import substitution policies aimed at developing local capacity to produce their required manufactured products (Todaro, 1994). In addition, the period following independence was characterized by large-scale nationalization of commercial enterprises to reduce the amount of foreign ownership and outflows of capital. Both policies largely failed to meet economic growth and development challenges. Despite “a decade of relatively satisfactory growth” from the mid 1960s to the mid 1970s, UNCTAD notes that

economic performance worsened in most countries in sub-Saharan Africa (SSA) in the second half of the 1970s; with few exceptions, the region as a whole experienced thereafter two decades of almost continuous economic decline.⁹

During this period, large-scale borrowing from international financial institutions to finance investments into the necessary resources and infrastructure for growth and development led most countries to become heavily indebted.

In South Africa, as international trade boycotts and sanctions intensified during the 1980s to protest against the Apartheid system, the country moved towards even greater self-sufficiency with a large amount of government support being channelled towards commercial farmers and strengthening the industrial and manufacturing sector. While a modern economy, with a well-developed infrastructure, was created around these activities and financed largely by the country's mineral wealth, the non-white population was increasingly marginalized.

⁹ UNCTAD (1999), p. 1.

While Apartheid managed to create a supply of cheap black labour for its labour intensive economy for almost 40 years, this eventually contributed to the breakdown of the system. Labour unions became increasingly organized and sophisticated; mass action by the disgruntled workforce became common practice and threatened to bring the economy to a halt.¹⁰

Most other African countries had to service their growing debts and consequently faced international pressure to increase their production of export goods, reduce the amount of foreign imports, cut back on education and health-care spending and in many cases to take out further loans. The demand for the latter led the World Bank and the International Monetary Fund to promote structural adjustment programmes (SAPs) in the 1980s which aimed to stabilize economies. Adoption and adherence to these programmes, including trade liberalization, greater deregulation and privatization of enterprises, became a prerequisite for securing additional loans. SAPs have, however, been widely criticized as their short-term solutions to the balance-of-payments problems have compounded pre-existing long-term development problems, impacting negatively on the most vulnerable sectors of the economy – the rural poor.

The extent of poverty and the inequality between rich and poor in most countries has shown no sign of diminishing. Declining commodity prices for key African exports have exacerbated the economic situation. A recent UNCTAD study notes that “hardly any country in the region has successfully completed its adjustment programme with a return to sustained growth.”¹¹ Within such an economic context, the adoption by African enterprise of the Global Compact Principles poses considerable challenges. Without substantial and sustained economic recovery and debt relief in Africa, there may be limited scope for business and government leadership on human rights, labour standards and environmental issues. The Global Compact nonetheless has the potential to mobilize joint action by African leaders in government, business and civil society aimed at finding new solutions to Africa’s ongoing economic problems. By working together at both the global and local levels, Africa’s political, economic and social leaders can demonstrate their commitment to sustained economic recovery and debt relief within the context of the Global Compact process.

¹⁰ The role of the trade unions in eventually ending Apartheid has had a significant influence on the development of highly progressive labour legislation in the new democratic South Africa.

¹¹ UNCTAD (1999) p. 1.

Signs of Recovery

Beginning in 1995, Africa began to experience an increase in per capita income.¹² Despite ongoing debt servicing problems, policies toward greater privatisation have resulted in foreign direct investment (FDI) in Sub-Saharan Africa increasing more than five-fold for the period 1990-1998 from \$834 million to \$4,364 million (World Bank, 2001). These figures do, however, hide differences in the allocation of FDI both between and within countries, with the majority of finances going towards the primary sector and resource-based manufacturing (Heymans, 1996). The growing presence of foreign investors in Africa has also brought large-scale restructuring and retrenchments in many countries. Throughout the continent, there remains a need to support the development of SMEs and microenterprises to reduce high levels of unemployment. Integrating the Global Compact principles into enterprise development strategies should become a priority for technical assistance programmes in Africa.

Not denying the many political and economic problems that persist in many parts of Africa, some countries are successfully linking international competitiveness with human development. Published by the World Economic Forum in January 2001, *The Africa Competitiveness Report* surveyed 1,800 foreign companies in 24 African states whose combined GDP accounts for 80% of the continent's total GDP. The survey ranked Tunisia and Mauritius as the top two African countries in both competitiveness and development. These two countries combine economic openness with good governance, sound finances and well-developed infrastructure. They also share Africa's highest life expectancy of 70 years and its lowest infant mortality rates at less than 30 per 1,000 births.¹³

Tunisia and Mauritius are not alone in linking economic and social progress. Other countries ranking in Africa's top 10 for both international competitiveness and human development include Botswana, Namibia, Morocco, Egypt, South Africa and Ghana. Specific findings of *The Africa Competitiveness Report* reveal why some African countries are becoming more attractive locations for foreign and domestic investment. Botswana and Tunisia are the only two African countries where corruption is negligible. The most comprehensive labour regulations are found in Botswana, Namibia, Morocco, Tunisia and Mauritius. Absenteeism from work is insignificant in South Africa, Tunisia, Morocco and Mauritius in contrast with Zambia and Malawi where it is very marked.¹⁴ The highest confidence in the banking system lies in Egypt, Botswana, South Africa, Tunisia, Mauritius and Morocco. Political stability and the most favourable climate for business expansion are highest in Tunisia, Botswana, Namibia, South Africa, Senegal, Tanzania and Madagascar. Finally, in keeping with a key theme of this paper, *The Africa Competitiveness Report* notes that the importance of personal relations in business transactions is strongest in Tunisia, Ethiopia, Namibia and Cote d'Ivoire.¹⁵

¹² By 1998-99, per capita GNP in Sub-Saharan Africa was again in negative growth (World Bank, 2001).

¹³ See Versi (2001).

¹⁴ As the incidence of HIV/AIDS grows in South Africa and other African countries, workplace absenteeism will undoubtedly increase significantly.

¹⁵ See Versi (2001). See also www.weforum.org

From the above it is apparent that some African countries have a number of the key economic, social and political ingredients in place to enable both African and multinational enterprises (MNEs) to begin to implement the principles of the Global Compact in Africa. Without economic openness, good governance, strong financial and legal institutions, good infrastructure and positive social indicators, enterprise development is undermined and consequently there is limited capacity for business action on social and environmental initiatives. That some African countries clearly meet many of these criteria offers considerable scope for enterprise support for the Global Compact on the continent.

Despite some of the positive developments noted above, most African countries remain minor players in the global economy.¹⁶ The African continent is responsible for less than 2% of world trade. In an effort to challenge the dominance of international trade by northern countries, African countries are renewing efforts to promote greater regional economic cooperation. There is also an increasing recognition amongst African leaders that they cannot afford to remain isolated from the global economy. This has led to a general trend towards adopting policies that support greater trade liberalization and privatization.¹⁷ This renewed African political support for open markets and enterprise development provides an opportunity for the Global Compact process on the continent. Increasingly the success of public-private partnerships for economic development depends upon the inclusion of social and environmental principles and practices.

Alongside growing enthusiasm for partnerships such as the Global Compact, some concerns are being raised about the potential pitfalls of UN, government and civil society collaboration with business on social and environmental initiatives. For example, Peter Utting of the UN Research Institute for Social Development (UNRISD) argues that “various UN institutions appear to be paying insufficient attention to certain risks associated with partnerships, including conflicts of interest, self-censorship, the poor choice of partners and the tarnishing of the UN’s reputation.”¹⁸ With some parts of global civil society increasingly raising questions about globalization and the power of corporations, there is a danger that the Global Compact process could lose credibility within Africa before it has a chance to gain sufficient momentum. African enterprises, governments and civil society will need to work together with the UN to ensure that the Global Compact process in Africa is inclusive, transparent and results-oriented.

Millennium Africa Recovery Plan

¹⁶ For the most part northern industrialized countries continue to control the terms of technology transfer, private capital and foreign aid flows and, in some cases, establish trade barriers to protect their domestic suppliers from cheaper imports.

¹⁷ As many countries are placing greater emphasis on the privatization of state enterprises, there is some confusion and uncertainty as to the division of responsibilities between government and business in protecting human rights and in promoting development (Kapelus, 2001). The lack of clarity with respect to who should be responsible hampers progress on all fronts related to the Global Compact. Given that the Global Compact is essentially about multi-stakeholder collaboration, governments need to work together with both the UN and business to clarify roles and responsibilities in relation to human rights and development.

¹⁸ Utting (2000), p. 1.

The most recent development on the African continent which reflects new political and economic thinking, and which may influence the success of the Global Compact in Africa, is the announcement of the Millennium Africa Recovery Plan at the World Economic Forum in Davos in January 2001.

The Millennium Africa Plan, endorsed by, amongst others, the leaders of South Africa, Nigeria, Tanzania, Senegal and Algeria, signals a recognition that Africa cannot isolate itself from the globalisation process any longer and must work to harness the positive aspects of this process to meet its development objectives (Mazwai, 2001).¹⁹

Key objectives of the Plan and its associated programmes that are most relevant to the Global Compact process include (Enterprise, 2001):

- Promoting and protecting democracy and human rights by developing clear standards of accountability, transparency and participatory governance at national and sub-national levels
- Creating peace, security and stability
- Strengthening Africa's capacity for the prevention, mediation and resolution of conflicts
- Instituting transparent legal and regulatory frameworks for financial markets, the auditing of private companies, the public and infrastructure sector
- Investing in human resources
- Increasing investment in the information and communication technology sector in order to bridge the digital divide
- Eradicating poverty and enhancing the quality of life
- Revitalising and extending the provision of education and health services, with high priority being given to tackling HIV/AIDS
- Developing and implementing policies that raise the quality and quantity of basic service delivery (provision of water, sanitation and health services)
- Promoting awareness campaigns to combat disease
- Protecting the physical environment
- Promoting sustainable development
- Achieving debt relief

It is envisaged that the plan will eventually include both pan-African and regional programmes. For example, continent-wide programmes will tackle conflict prevention and eradication of infectious diseases, whereas economic initiatives will be developed and run

¹⁹ The concept of the plan was presented as a "work still in progress." Leaders of the project are Thabo Mbeki, South African president and chairman of the Non-Aligned Movement; Olusegun Obasanjo, Nigerian president and chairperson of the Group of 77 countries in the Southern Hemisphere; and Abdelaziz Bouteflika, president of Algeria and chairman of the Organization of African Unity. Following the unanimous approval of African leaders at the OAU Libya summit at the end of February, the plan will now be transformed into a concrete programme of action in time for the G8 Summit in Italy in July this year (SABC, 2001). Participating leaders are to form a compact committing them to the programme and a forum of leaders are to make decisions about sub-programmes and initiatives and review progress on its implementation.

at regional levels. President Thabo Mbeki has described the Millennium Africa Recovery Plan as being qualitatively different from other development plans because Africa's political leadership is taking responsibility on its own shoulders to ensure that the "continent actually breaks out of its conditions of poverty and underdevelopment."²⁰

The Millennium Africa plan promotes global partnerships between Africa and other parts of the world and between the public and the private sector. Based on shared self-interest, these partnerships have the potential to develop infrastructure, agro-industry, tourism and human resources and to promote urban renewal and rural development. The main difference between the Millennium Africa Plan and previous development plans is that this is the first Africa-led revitalization of the continent in which the rest of the world can contribute as partners, not donors (Mazwai, 2001). For example, partnerships between government and the investing community in the building of roads, airports, dams and extending telecommunication networks could be tied to the skills development of the population and provide benefits to all parties.

By recognizing that economic rights and environmental sustainability are central issues to development, the Millennium Africa Plan has close links to the Global Compact. African enterprises will undoubtedly play a central role in the recovery process. Their role will be enhanced by adopting the Global Compact principles and by collaborating with the UN, governments and civil society towards Africa's sustainable human development.

The HIV/AIDS Challenge

There is perhaps no other problem facing African enterprises, governments and civil society more challenging than the social and economic consequences of HIV/AIDS on the continent. The World Health Organization (WHO) estimates that two out of three people living with HIV worldwide – almost 25 million – are in Sub-Saharan Africa. In South Africa, nearly 4 million people have been infected with HIV since the first case was identified in 1982 and this figure is expected to peak at 6 million by 2010. One business analyst in South Africa insists that

*there is no way that an epidemic of this magnitude, concentrated in the country's 15-49 year olds, can fail to be significant for employers. As workers, as recipients of company benefits, as consumers, and as parents of the next generation, their role in the economy is critical.*²¹

With HIV now endemic in most of Africa, Jeffrey O'Malley of the International HIV/AIDS Alliance emphasises the "need to integrate prevention and care into almost every aspect of public and private life" in the most seriously affected regions. In this regard, business has "an essential role to play ... in different kinds of partnerships with governments and communities."²²

²⁰ Woza Internet (2001)

²¹ Van der Vliet (1999), p. 2.

²² O'Malley (1998).

In proposing a global business agenda for HIV/AIDS, UN Secretary-General Kofi Annan has identified three key challenges for the private sector:

- **Eliminate prejudice and discrimination:** involve the workforce and their families in developing initiatives to end prejudice and discrimination against those affected by HIV/AIDS. Allow people with HIV/AIDS to continue working thereby enabling them to continue being useful members of society.
- **Reach out to communities:** through programmes that protect and empower communities where companies operate. Prevent the spread of HIV/AIDS in the workplace and beyond by spreading HIV/AIDS awareness and by distributing condoms.
- **Develop a global perspective:** by considering the wider implications of the worldwide HIV/AIDS epidemic. Join forces with UN and government agencies, NGOs and others at the forefront of efforts to fight HIV/AIDS.

There is a clear role for African enterprises to educate their workforces about HIV and to become active partners in initiatives to stop the spread of the virus. In the words of Kofi Annan: “The struggle against AIDS is a commercial imperative - it makes good business sense.”²³ The link between the Global Compact principles and the business response to HIV/AIDS in Africa is obvious. The right of African workers to be protected from discrimination in the workplace and the wider human rights of African people are clearly threatened by inappropriate business and societal responses to HIV/AIDS. Furthermore, the central role of partnership between the UN, business, government and civil society lies at the heart of both the Global Compact process and existing UN initiatives on HIV/AIDS.

The Global Compact and African Enterprises

The success of the Global Compact internationally depends upon action by multinational enterprises (MNEs) as well as by national and local enterprises of different sizes. Operating within the context of economic globalization, all business activities in Africa rely upon, for their future success, strong domestic markets as well as buoyant trade both regionally and globally. However, open markets do not operate in a social vacuum. Their survival ultimately depends upon shared values and principles. In this section, we explore the relevance of the Global Compact for African enterprises and review various examples of enterprise practices that support the Global Compact principles.

As awareness has developed of the scope and range of business impacts through globalization, there has been growing attention given to the social, environmental and ethical dimensions of business practice. With business activities becoming more global and complex, new and greater demands for enhanced business transparency and accountability

²³ Annan (1999).

are being placed on companies by a wider range of stakeholders.²⁴ In order to balance competing stakeholder interests in a rapidly changing world, businesses need to work differently. Such challenges are particularly difficult for MNEs with local operations in Africa and other regions with developing and transitional economies. The Global Compact represents one of many learning tools to enable MNEs, national and local enterprises to respond more effectively to these new social and environmental challenges. By lending their support to the Global Compact, African enterprises will be joining a growing international business movement that is embracing shared values and commitments globally and locally.

The Role of Small and Microenterprises

Given their crucial role in Africa's national economies, small-scale and micro enterprise²⁵ participation in the Global Compact process is of particular importance. In Uganda, micro- and small-scale enterprises employ about 70 percent of the non-agricultural labour force, produce 80 percent of manufactured output and are responsible for 20 percent of the country's total GDP.²⁶ In Zimbabwe, 860,000 microenterprises employ about 25 percent of the country's working population.²⁷ Various studies on the micro- and small enterprise sector in Ghana agree that it employs more people than the formal sector.²⁸ Furthermore, recent research suggests that the number of Africans working in the micro- and small-scale enterprise sector "is about double that of those employed in the official large-scale enterprises, including the public sector."²⁹

While small-scale and microenterprises undoubtedly make important contributions to Africa's societies and economies, they generally face real limits in terms of growth potential. Only 20 percent of microenterprises actually experience growth. Major constraints to growth include access to capital, managerial skills and a hostile environment.³⁰ The owners and managers of small and microenterprises face day-to-day struggles to stay in business. Questions about human rights, labour standards and environmental protection do not appear to be among their immediate priorities. How then can we convince the owners and managers of Africa's numerous SMEs and microenterprises of the added value of adopting the Global Compact principles?

²⁴ Examples of business stakeholders include: employees, shareholders, trade unions, suppliers, sub-contractors, government agencies, local communities, NGOs, multilateral organizations, religious organizations, the media, academic institutions, and various other internal and external interest groups.

²⁵ Also known as the informal small-scale business sector. In 1972, the ILO described Africa's informal sector as "small-scale (size), labor intensive and low skill nature, low wage, producing goods and services for low income people and generally living off the crumbs of the large scale formal sector" (ILO, 1972, p. 223).

²⁶ See Koop et al (2000), pp. 55-76.

²⁷ See Frese, Krauss and Friedrich (2000), pp. 103-130.

²⁸ See Empretec Ghana Foundation (2001).

²⁹ See Mead and Liedholm (1998). Cited in Frese (2000), p. 4.

³⁰ Cited in Frese (2000).

The key may lie in building upon African cultural values that share common ground with the Global Compact's commitment to partnership. Research on culture in Africa consistently reveals that collectivism is highly valued.³¹

*African societies score high on collectivism. In collectivist cultures, people form strong and close groups, often evolving around kinship. These groups provide lifelong protection in return of unconditional loyalty. Loyalty implies that the groups share the means of support.... Positive influences of collectivism could be that we-group members help each other financially and we-group contacts are useful, both in penetrating a market and in providing support when things get tough.*³²

There is considerable potential for African small and microenterprises to respond collectively to the Global Compact principles. Experience with micro-finance or micro-credit schemes in Africa, Asia and Latin America may offer an appropriate model. Micro-finance is essentially about making it easy for poor prospective entrepreneurs to borrow start-up capital, as Khalil Osman explains:

*Their operations emphasize 'strategic lending', i.e., lending very small short-term loans to very poor micro-entrepreneurs. Loan repayment is guaranteed by group members collectively and access to future credit or loans is contingent on successful repayment. Hence, peer monitoring and the prospect of subsequent larger loans act as strong incentives for repayment.*³³

Prominent examples include: the Grameen Bank in Bangladesh, Bank Rakyat Indonesia, the Kenya Rural Enterprise Programme, and Banco Solidario of Bolivia. By working together with such schemes, microentrepreneurs bring wider benefits to themselves and their communities. African micro- and small-scale enterprises could be encouraged to make similar forms of collective commitment to the Global Compact principles accompanied by peer support and monitoring. Such schemes could be promoted and facilitated by local governments, business service providers, NGOs and bilateral and multilateral donors.

Another model of collective social action by small and microenterprises can be found in the Pakistan hand-stitched soccer ball industry. Launched in early 1997, the Project to Eliminate Child Labour in the Pakistan Soccer Ball Industry is a partnership initiative that encompasses both labour practice monitoring and social protection for displaced child workers and their families. Project partners include: the Sialkot Chamber of Commerce, local manufacturers, family-owned enterprises, NGOs, the Pakistani Government, global soccer ball brands, UNICEF and the ILO. Similar child labour initiatives are now underway in various other parts of the world.

The Association of Tanzania Employers (ATE) has an ongoing project to raise business and public awareness about the worst forms of child labour, focusing on the tea, coffee and

³¹ Cited in Frese (2000).

³² Frese and De Kruif (2000), p. 7.

³³ Osman (1999), p. 1.

sisal industries. Working within the framework of the ILO International Programme on the Elimination of Child Labour (IPEC), the ATE has raised the awareness of plantation owners and managers about the consequences of child labour and the importance of safeguarding jobs for adults. In an effort to find longer-term solutions to the child labour problem, some employers are providing adult employees with financial assistance to set up micro-credit schemes and small-scale economic ventures. The aim is to reduce poverty and overcome dependence on their children's earnings.³⁴ With other East African countries beginning to emulate the Tanzanian experience, there is potential to build collective enterprise support for the Global Compact principles more widely in Africa.

A related strategy of Global Compact promotion to small and microenterprises in Africa might be to focus on cultural values and practices that are particularly strong in certain countries or regions. Recent research by the Global Leadership and Organizational Behavior Effectiveness (GLOBE) Research Project revealed that Zambians place a high value on the importance of being fair, altruistic, generous, caring and kind – characteristics of a society with a “humane orientation”.³⁵ These attributes are compatible with both the Global Compact principles and the wider African value placed on mutually beneficial human relationships.

The alternative trade movement offers a good example of linking the values of fairness and kindness with commercial acumen. The essence of alternative trade is that local producers are paid a fair price for their products. Trading relationships between the producer and exporter are based on loyalty and mutual trust. Alternative trade initiatives are currently active in many parts of Africa. For example, Getrade (GH) Ltd. is a Ghanaian export house established in 1990 that is currently working with over 400 local craftsmen and farmers. Getrade promotes the pursuit of artisanal development as a means of achieving economic growth and social progress. In realizing its goals, Getrade continually strives for fairness in its dealings with all producers, equality in the provision of available opportunities and transparency. There could be considerable scope for the Global Compact process in Africa to engage artisans, community enterprises and cooperatives currently involved in alternative trade networks. By working with such enterprises, we would also be actively promoting the Global Compact principles. The values embodied in the principles share common ground with alternative trade values of economic fairness, equal opportunity and local empowerment.

In other parts of Africa, the key to promoting the Global Compact to the informal sector could be found in organizations that help to shape cultural values and public opinion at the grassroots level such as traditional religious or social institutions (e.g., Islamic or Christian groups, youth clubs, women's groups, etc.). In order to avoid potential conflicts between national and universal values, the key will be to find appropriate entry points and messages to promote the Global Compact principles in different cultural and social contexts.

The Role of Medium and Larger Enterprises

³⁴ ILO (1999).

³⁵ Cited in Frese (2000), pp. 8-10. See House (2000).

In recent years, the activities of MNEs operating in Africa and other parts of the developing world have faced growing public scrutiny. The expansion and influence of the Internet and satellite communications have given both the international media and global civil society new tools to investigate the social and environmental impacts of global companies at the local level. From petroleum exploration and extraction to diamond mining and from agriculture and tourism to the financial services sector, there has been increasing focus in different parts of Africa on the link between enterprise activities and human rights, labour standards and the natural environment.

This growing attention to industrial and commercial activities in Africa has prompted both MNEs and their African business partners to adopt voluntary social and environmental initiatives such as the Global Compact. A good example of MNE support for African labour initiatives emerged in 2000, when Barclays Bank and a number of African trade unions agreed to the establishment of the Africa-Union Forum (AUF) covering 7,000 staff employed by the UK-based multinational bank. The Forum is the first African union-employer forum to cover a multinational bank. It will meet twice a year and cover staff in seven African countries: Botswana, Ghana, Kenya, Mauritius, Uganda, Zambia and Zimbabwe. Other examples of voluntary social and environmental initiatives include: workplace codes of conduct, supply chain audits, social and environmental certification and labelling, and other schemes that promote business standards in labour practices, human rights, environmental sustainability and other ethical matters.

It is not surprising then that supply chain pressure by northern-based MNEs has promoted growing numbers of African enterprises to implement voluntary social and environmental initiatives. For example, various Southern African forestry companies have obtained sustainable forest management certification via the Forest Stewardship Council (FSC) largely as a result of market pressure from western European customers. In a related vein, agricultural enterprises in different parts of Africa are collaborating with the UK-based Ethical Trading Initiative (ETI) primarily because their trading partners in the British food retail sector asked them to participate. Although these two initiatives may have originated elsewhere, they are nevertheless consistent with the principles embodied in the Global Compact. Building upon related social and environmental initiatives such as the FSC and ETI represents a potential strategy for promoting the Global Compact to African medium and large enterprises that are already responding to supply chain pressures.

Notwithstanding the growing attention by some MNEs and their African business partners to social responsibility issues, the incentive structures of the African operation units of most MNEs often mean that limited time and resources are directed towards the local implementation of initiatives such as the Global Compact. MNEs operate in a high-risk environment with considerable pressure to maximize short-term profits. If the Global Compact is to take root in MNEs operating in Africa, those responsible for implementation will need to be able to demonstrate how support for such social and environmental causes can bring business benefits and contribute to long-term MNE investment in Africa.

With local implementation of social initiatives by most MNEs still at an early stage in Africa, some African enterprises have begun to question the value of the Global Compact and other social initiatives. Dominic Kabemera of the Association of Tanzanian

Employers argues that the lack of northern leadership represents a major stumbling block towards acceptance and implementation of the Global Compact by African enterprises:

With countries like the USA pulling out of the Kyoto protocol [on climate change] and others supporting countries that grossly abuse human rights, some businessmen here ask themselves whether embracing the Global Compact principles too fast may after all be in the best interest of local business.³⁶

Within such a context, the Global Compact runs the risk of being perceived as another example of the North imposing social and environmental conditions on the trade and commercial activities of the South.

Despite such concerns, there are many examples of locally generated enterprise initiatives by African enterprises that share common ground with the Global Compact principles. Two areas of focus of particular relevance for the African continent are HIV/AIDS and sustainable development.

Growing numbers of African enterprises are responding to the HIV/AIDS challenge individually and collectively. In South Africa, Eskom, Anglo Coal and other national enterprises have led the HIV/AIDS business response in the workplace and wider community. Such South African companies are promoting HIV/AIDS education and awareness and implementing anti-discrimination policies to protect workers with HIV/AIDS. They are also introducing support programmes to care for workers and their families who are affected by HIV/AIDS. Eskom and Anglo Coal have received international recognition for their HIV/AIDS workplace initiatives. Both companies have received the Global Business Council on HIV/AIDS 'Award for Business Excellence in Response to HIV/AIDS'.

Eskom has been an active supporter of the multi-stakeholder Partnership Against AIDS in South Africa and has made HIV/AIDS a strategic business priority. Eskom endeavours to ensure that every employee fully understand the extent of the HIV/AIDS epidemic, the company programme and how to respond to the epidemic as an individual. The company has made a commitment to implement the principles of HIV/AIDS prevention, care and non-discrimination and seeks to maintain these principles in all of its activities. By working together with the South African Government, community organizations and other stakeholders, Eskom is playing its part in seeking the effective prevention and elimination of HIV/AIDS in South Africa.

Anglo Coal's mines have put in place peer education programmes and various other initiatives. Peer educators raise the HIV/AIDS awareness of their fellow employees. Anglo Coal's experience is that successful peer education requires ongoing support from management and programme administrators. Industrial Theatre has been used to disseminate HIV/AIDS policy to mineworkers. This involves the use of puppets, plays and other forms of drama. The key messages are that workers will not be discriminated against

³⁶ Personal communication, 6 April 2001.

on the basis of their HIV status, and that HIV-positive workers will be offered appropriate treatment and support.

In neighbouring Botswana, various enterprises are working together through the Botswana Business Council on HIV/AIDS to encourage the local business community to take appropriate action on this key human rights and socio-economic development issue. Elsewhere on the continent, African enterprises are beginning to assume greater responsibility for HIV/AIDS in the workplace. At the same time, many challenges lie ahead in efforts to motivate and mobilize African enterprises to adopt HIV/AIDS as a strategic priority. Recent research by the United Nations Development Programme in South Africa found that less than half of companies surveyed ranked HIV/AIDS among their top strategic issues (UNDP, 1998).

The search for more sustainable forms of development represents another of Africa's major challenges.³⁷ Konkola Copper Mine plc (KCM) in Zambia's Copperbelt is an example of a mining operation which is committed to develop plans for managing its operations and eventual mine closure in a way which supports sustainable development. KCM invited key stakeholders from the communities, local authorities, civil society and the private sector to engage in a consultative forum to discuss issues related to the development of the company's social management plans that recognise the broader issues relating to local economic development and sustainable livelihoods (Khanya, 2000). Issues such as land use and settlement, employment and retrenchment, social services, and consultation and public disclosure reflect an integration of the concepts of corporate citizenship and the promotion of sustainable livelihoods. Through this process, KCM has formally recognized the role of stakeholders – an important step towards implementing social and environmental principles such as those embodied in the Global Compact.

Whether the impetus for social and environmental action by African enterprises is external or internal, there is plenty of scope for building upon current experience to promote the Global Compact process. With many medium and large African enterprises already becoming integrated into the global economy, they will increasingly be expected to develop and implement policies related to the environment, labour practices and human rights. For start-ups and other young African enterprises, the integration of social, environmental and economic principles may provide an impetus for new business opportunities as they search for ways of differentiating their products and services in more competitive domestic and international markets. Above all, the Global Compact invites all African enterprises to join the UN agencies, African governments and civil society in re-mapping and re-discovering Africa's development path in the 21st Century.

The Global Compact and Enterprise Performance

Enterprise performance is generally associated with financial indicators: sales figures, cash flow, share price, growth rates and profits. Owners and managers are expected to be able to make quick decisions to boost the economic bottom line performance of their

³⁷ Primary production activities such as mining have negative impacts such as acid mine drainage, groundwater pollution and chronic illnesses, many of which only surface long after mine closure.

enterprises. Within this context, making the business case for initiatives such as the Global Compact is particularly challenging. The immediate business results of voluntary social initiatives are often difficult if not impossible to measure. There is nonetheless growing evidence of the positive link between the economic performance of enterprises and social and environmental investments. In this section, we explore the potential financial benefits of the Global Compact principles for African enterprises.

Let us first take a look at two relevant pieces of research for some possible clues. A recent North American study on the interaction between employee satisfaction and business results noted:

Despite the rapid and constant rate of change in business today, people throughout generations have derived satisfaction from meeting similar needs to belong to groups, to feel a sense of accomplishment, to participate in organizational and group processes, and decisions, to work cooperatively, to fulfill basic physiological needs, to grow and develop, to be recognized and acknowledged. Where these needs are met, employees perceive work more positively. Both the individual and the organization are able to grow and be more successful, thereby providing “wealth” to all stakeholders.³⁸

Using data from a Fortune 100 Company, this six-year study examined the relationship between thirty employee satisfaction variables and both corporate and business unit financial results. The following employee satisfaction variables had the strongest positive relationship to Company financial results:

- Personal development
- Involvement and participation
- Use of skills and abilities
- Promotion practices
- Opportunities for a better job ³⁹

The results of this research suggest that enterprises can reap financial rewards by implementing labour practices that make workers happier and more productive. The key lesson for the Global Compact process in Africa is that enterprise support for international labour standards could bring similar business benefits.

European research on the link between productivity, quality and ethics had complementary findings. A survey of 480 large organizations, drawn equally from the UK, France and Germany, revealed that a majority in all three countries agreed that there is an ‘added-value’ for an organization to behave ethically in productivity and quality management. The study concluded that there is “undoubtedly a close relationship between productivity,

³⁸ Topolosky (2000), p. 37.

³⁹ The following variables were most negatively correlated with Company financial results: satisfaction with corporate change strategies, direction of the company, employee benefits, balance between work and personal life, input to decisions, job security, and realizing personal benefit from attaining organizational goals.

quality and ethics.”⁴⁰ The business case for treating workers better is well articulated by the study’s researchers Alan and Lorice Stainer:

*In order to achieve greater efficiency and high quality, motivating the workforce must be a top priority for management. In this way, loyalty towards the organization, mutual respect and self-development would be enhanced, thus improving job satisfaction and making the management process more effective.*⁴¹

African enterprise support for the Global Compact principles has the potential to produce similar results. Whether we are talking about motivating workers, empowering local communities or protecting essential natural resources, the immediate and long-term survival of the enterprise is much more likely when good labour, human rights and environmental practices are integrated into core business activities.

African enterprises are beginning to reap financial rewards for their social and environmental initiatives. In 1999, Macefcoop, a small agricultural enterprise in Cameroon became the first African producer to supply organic coffee to the growing European fair trade market. Two Tanzanian enterprises followed Macefcoop’s lead and all three are registered partners of the Dutch-based Max Havelaar Foundation, one the Europe’s leading fair trade organizations. By ensuring that their products are both environmentally and socially responsible, these small enterprises are gaining access to key markets for their future growth (Harmsen and Bolscher, 1999).

Other examples of flourishing African enterprise initiatives can be found in Senegal, Swaziland and Egypt. The alternative tourism Campements Villageois are considered to be rural Senegal’s most successful economic development project. Since their launch in 1974, 19 Campements have been established generating annual receipts from tourists of 74 million CFA francs (US\$100,000). Campements Villageois offer participating rural communities financial rewards while ensuring that local values and the natural environment are protected. In Swaziland, Fridge Master produces 450,000 annual units of domestic refrigerators and freezers with an annual turnover of approximately US\$65 million (1996). Employing 1200 workers, the company has increased its sales dramatically since its move to CFC-free fridges in the early 1990s (Robins and Roberts, 1997). In Egypt, Electrostar Refrigerators has embraced “ the ozone issue as a valuable opportunity to overhaul its production facilities and carve out new markets in the Middle East.”⁴² All of the above examples demonstrate the value of building environmental and social criteria into commercial activities in Africa.

The cost of not being socially and environmentally responsible is well known. When media reports uncovered child labour in the Pakistani soccer ball industry, it was threatened with the loss of a US\$1 billion global market and was quick to collaborate with global brands, UN agencies, Government and civil society to find appropriate solutions. Similar concerns about threats to future business prompted Tanzanian tea, coffee and sisal enterprises to

⁴⁰ Stainer and Stainer (1995), p. 9.

⁴¹ Stainer and Stainer (1995), p. 6.

⁴² Robins and Roberts (1997), p. 27.

recognize the value of phasing out the use of child labour. Similarly the economic impact of not responding to the HIV/AIDS crisis in South Africa prompted Eskom, Anglo Coal, BP⁴³ and others to invest heavily in HIV/AIDS education and support. In 1995, Eskom projected overall direct HIV/AIDS treatment costs at 15% of the company's payroll by 2005 (e.g., ill-health retirements, insured benefit schemes and medical claims). As a result, actuaries recommended a fundamental review of Eskom's remuneration and benefit policy, and the company began to budget for and design appropriate HIV/AIDS awareness and treatment responses. These examples offer powerful evidence of the need for enterprises to embrace social and environmental concerns.

While the research findings noted above offer encouraging evidence of the link between enterprise performance and social and environmental action, "there remains a significant gap between what is intuitively logical and what one can prove" as a new report on the business case for corporate sustainability reveals. In *Buried Treasure*, SustainAbility and UNEP (2001) suggest that brand value and reputation has the strongest positive link to the sustainable development performance of enterprises. Consequently, they argue that business case analysis has to move beyond an exclusive focus on financial measures. The authors nevertheless note that business case research supports the positive links between verified financial results and sustainable development performance. The implication is that one can make the business case "without having to exclusively rely on indirect or intangible measures of business success."⁴⁴ The message for African enterprises from this research is that support for initiatives such as the Global Compact can bring direct and tangible bottom line benefits. However, owners and managers also need to take non-financial indicators into account, such as reputation and community profile, when developing and implementing social and environmental policies. By strengthening their relations with local communities, African enterprises are more likely to earn a 'social license to operate' and achieve positive economic, social and environmental results.

Towards a Global Compact Agenda for African Enterprises

In this paper, we have argued that African enterprises and their social partners have important roles to play in the Global Compact process and in Africa's long-term development. The search for mutually beneficial human relationships lies at the heart of the Global Compact, as does Léopold Senghor's vision of enterprise activities that respect "the reality of [Africa's] soil, climate and people."⁴⁵ Ensuring that all enterprise activities in Africa link economic, social and ecological objectives is what the Global Compact process is essentially about.

The need for a Global Compact agenda for African enterprises is why we are all here at this conference. Throughout this paper, we have explored the role and relevance of the Global Compact for Africa. But what can the owners and managers of African enterprises do tomorrow, particularly those in the small-scale and microenterprise sector, to lend their

⁴³ In the case of multinational oil giant BP, if the company paid for triple combination drug therapy for all employees in its Oil Africa Region thought to be currently infected, the total estimated drug bill would be US\$16 million.

⁴⁴ SustainAbility and UNEP (2001), p. 2.

⁴⁵ Senghor (1976), p. 79.

support to the Global Compact principles? As this paper has demonstrated, various African enterprises have already started to make substantial progress with the implementation of social and environmental initiatives. Building upon this experience, the following suggestions are intended to offer African enterprises some initial ideas about how to work together for human rights, labour standards and sustainable development at the local level:

- Strengthen relationships with employees, business partners and other stakeholders being attentive to principles of fairness, kindness and mutual respect.
- Increase awareness and knowledge of relevant national legal requirements and local bylaws, and ensure enterprise compliance.
- Create partnerships with other relevant enterprises in your community to explore local concerns about human rights, labour standards and environmental sustainability.
- Identify relevant local resources on human rights, labour rights and environmental issues (e.g., NGOs, trade unions, business service providers, local authorities, etc.).
- Enter into dialogue with NGOs, trade unions, community groups and other stakeholders to help identify local priorities for enterprise action on human rights, labour rights and environmental issues.
- Develop social and environmental action plans for specific local enterprise groups or sectors (e.g, primary producers; market traders; retailers; manufacturers; service industries; etc.)
- Promote local awareness and learning about the benefits for enterprises, workers and communities of adopting social and environmental initiatives.
- Work in partnership with government, civil society and international organizations to gain a better understanding of the long-term human development needs of your local community.

During the course of our discussions at this conference, we need to work together towards the development of a Global Compact action agenda for African enterprises. We should also undertake to continue our dialogue at the national and local levels throughout Africa and elsewhere about the value of the Global Compact for African enterprises and communities.

At the beginning of this paper, we took inspiration from the words of the former Senegalese President Léopold Senghor about the importance of human relationships in the African context. In closing, let us look to the future through the eyes of the current President of Senegal Abdoulaye Wade:

*Education is about making men and women citizens of their times. We need to prepare men and women who can live in this century. No African child must feel like an outsider in this global village.*⁴⁶

Therein lies the key to the success of the Global Compact in Africa. As an educational tool, the Global Compact seeks to engage business, civil society, governments and the United Nations in an international partnership for a better world. As dynamic members of this

⁴⁶ Opening Speech to the World Education Forum in Dakar, Senegal, 26 April 2000.

global village, African enterprises and their social partners have a vital role to play in this learning process.

References

African Agenda (2000) 'Africa: The Facts' *African Agenda*, Vol. 3, No. 4, pp. 24-25. Accra: Third World Network African Secretariat.

Annan, K (1999) 'National AIDS Trust's Inaugural 'Diana, Princess of Wales Memorial Lecture' June 1999, London: National AIDS Trust.

Beckett, J. F. and Sudarkasa, M. E. M. (2000) *Investing in Africa: An Insiders Guide to the Ultimate Emerging Market*, New York: John Wiley & Sons, Inc.

The Economist (2001) 'Africa's Elusive Dawn' *The Economist*, Vol. 358, No. 8210, 24 February 2001, pp. 17-18.

Empretec Ghana Foundation (2001) *Draft Report Research Study on Job Quality in Micro & Small-Scale Enterprises in Ghana*, prepared for the ILO InFocus Programme on Boosting Employment through Small Enterprise Development (SEED), Accra: Empretec Ghana Foundation.

Enterprise (2001) 'Millenium Africa Plan', *Enterprise*, March, p. 30

Frese, Michael, ed. (2000) *Success and Failure of Microbusiness Owners in Africa: A Psychological Approach*, London: Quorum Books.

Frese, M. and De Kruif, M. (2000) 'Psychological Success Factors of Entrepreneurship in Africa: A Selective Literature Review' in Frese (2000), pp. 1-30.

Frese, M., Krauss, S.I. and Friedrich, C. (2000) 'Microenterprises in Zimbabwe: the Function of Sociodemographic Factors, Psychological Strategies, Personal Initiative, and Goal Setting for Entrepreneurial Success', in Frese (2000), pp. 103-130.

Harmsen, J and Bolscher, H. (1999) 'Africa's First Socially and Organically Labelled Coffee' in *Industry and Environment*, Vol. 22, No. 2-3, April-September, p. 35.

Herbst, J. (1996) 'Africa and the International Economy', in Handley, A. & Mills, G. (eds), *From Isolation to Integration? The South African Economy in the 1990s*. Johannesburg: SAIIA.

Heymans, C. (1996) 'Is Africa Atypical in the Developing World?', in Handley, A. & Mills, G. (eds), *From Isolation to Integration? The South African Economy in the 1990s*, Johannesburg: SAIIA.

House, R.J. (ed.) (2000) *Cultural Influences on Leadership and Organizations* (tentative title), Manuscript in preparation.

ILO (1972) *Employment, Incomes and Equality: A Strategy for Increasing Productive Employment in Kenya*, Geneva: ILO.

ILO (1999) 'Finding Ways to Fight Child Labour in Tanzania' *World of Work*, No. 28, February, www.ilo.org/public/english/bureau/inf/magazine/28/tanzania.htm

ILO (2000) *Report of the IOE/ILO/IILS Meeting on the Global Compact Principles and the ILO Declaration Exploring Developing Country Business Directions*, 25-27 May, ILO: Geneva, <http://www.unglobalcompact.com/gc/unweb.nsf/content/ioeilofulltxt.htm>

Kabayemera, D. (2001) Personal Communication, AET, Tanzania.

Kanbur, R. (2001) *Economic Policy, Distribution & Poverty: The Nature of Disagreements*. Cornell University, <http://www.people.cornell.edu/pages/sk145/>

Kapelus, P. (2001) Personal Communication, AICC, South Africa.

Khanya (2000) *KCM plc (Nchanga): Development of Social Management Plans: Invitation to attend the consultative forum*. Konkola, Chililabombwe, Zambia: Khanya/ZAPRA Social Management Plan Team.

Koop, S., De Reu, T. and Frese, M. (2000) 'Sociodemographic Factors, Entrepreneurial Orientation, Personal Initiative, and Environmental Problems in Uganda' in Frese (2000), pp. 55-76.

Mazwai, T. (2001) 'All Systems go for the Millennium Africa Plan' *Enterprise*, March: pp. 24-30.

Mead, D.C. and Liedholm, C. (1998). 'The Dynamics of Micro and Small Enterprises in Developing Countries', *World Development*, 26, pp. 61-74.

O'Malley, J. (1998) *A Challenge for Business: The Changing HIV Epidemic*, November, a discussion paper presented to the Global Business Council on HIV/AIDS, London.

Osman, K. (1999) 'Micro-finance Institutions: Effective Weapon in the War Against Rural Poverty', *Muslimedia*, 16-31 January, www.muslimedia.com/archives/special99/micro.htm

Robins, N. and Roberts, S. (eds.) (1997) *Unlocking Trade Opportunities: Case Studies of Export Success from Developing Countries*, London: International Institute for Environment and Development for the UN Department of Policy Co-ordination and Sustainable Development.

SABC (2001) *Millennium African Renaissance Plan to be Fine-tuned*. <http://www.sabcnews.com/SABCnews/politics/government/0,1009,11841,00.html>

- Senghor, L.S. (1964) *Liberté I: Négritude et Humanisme*, Paris: Éditions du Seuil.
- Senghor, L.S. (1976) *Prose and Poetry*, edited and translated by J. Reed & C. Wake, London: Heinemann.
- Stainer, A. & Stainer, L. (1995) 'Productivity, Quality and Ethics - A European Viewpoint' *European Business Review*, Vol. 95, No. 6, pp. 3-11.
- SustainAbility and UNEP (2001) *Buried Treasure: Uncovering the Business Case for Corporate Sustainability*, London: Sustainability and UNEP.
- Todaro, L. (2000) 'United Nations, Inc.' *Village Voice*, 12 September, pp. 43-44.
- Todaro, M.P. (1994) *Economic Development*, fifth edition, New York: Longman.
- Topolosky, P.S. (2000) *Linking Employee Satisfaction to Business Results*, *Garland Studies on Industrial Productivity* (ed. S. Bruchley), New York: Garland Publishing.
- UNCTAD (1999) *African Development in a Comparative Perspective*, Trenton, NJ: Africa World Press.
- UNDP (1998) *HIV/AIDS and Human Development in South Africa*, New York: UN Development Programme.
- Utting, P. (2000) 'UN-Business Partnerships: Whose Agenda Counts?' *UNRISD News*, No. 23, pp. 1-4, Geneva: UNRISD.
- Van der Vliet (1999) 'Putting AIDS on the Business Agenda' in *AIDS Alert*, Cape Town: Pulse Track.
- Versi, A. (2001) 'Tunisia: Celebrating 45 Dynamic Years' Special Report in *African Business*, March, No. 263, pp. 1-4.
- World Bank (2001) *World Development Report 2000/2001*. New York: Oxford University Press.
- World Economic Forum (2000) *The Africa Competitiveness Report 2000/2001*, New York: Oxford University Press.
- Woza Internet (2001) 'Mbeki Outlines Key Elements of Millennium Africa Recovery Plan', 2 February, <http://allafrica.com/stories/200102020131.html>