BTI 2008 | Togo Country Report

Status Index	1-10	3.75	# 108 of 125	
Democracy	1-10	3.90	# 95 of 125	→
Market Economy	1-10	3.61	# 114 of 125	→
Management Index	1-10	3.66	# 104 of 125	
scale: 1 (lowest) to 10	score	rank	trend	

This report is part of the Bertelsmann Transformation Index (BTI) 2008. The BTI is a global ranking of transition processes in which the state of democracy and market economic systems as well as the quality of political management in 125 transformation and developing countries are evaluated.

The BTI is a joint project of the Bertelsmann Stiftung and the Center for Applied Policy Research (C•A•P) at Munich University. More on the BTI at <u>http://www.bertelsmann-transformation-index.de/</u>

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Key Indicators

mn.	6.1	HDI	0.50	GDP p.c.	\$	1,340
% p.a.	2.6	HDI rank of 177	147	Gini Index		-
years	55	UN Education Index	0.54	Poverty ³	%	-
%	40.1	Gender equality ²	-	Aid per capita	\$	15.6
		% p.a. 2.6 years 55	% p.a.2.6HDI rank of 177years55UN Education Index	% p.a. 2.6 HDI rank of 177 147 years 55 UN Education Index 0.54	% p.a.2.6HDI rank of 177147Gini Indexyears55UN Education Index0.54Poverty ³	% p.a.2.6HDI rank of 177147Gini Indexyears55UN Education Index0.54Poverty3%

Sources: UNDP, Human Development Report 2006 | The World Bank, World Development Indicators 2007 | OECD Development Assistance Committee 2006. Footnotes: (1) Average annual growth rate 1990-2005. (2) Gender Empowerment Measure (GEM). (3) Percentage of population living on less than \$2 a day.

Executive Summary

Political and economic life in Togo fell into turmoil following the death in February 2005 of President Gnassingbé Eyadéma and the manipulated election of his son Faure Gnassingbé. The brutal suppression of post-election protests left more than 400 dead and prompted a new wave of out-migration into neighboring countries. The new president then realized that he would not gain wider public support for his government without making concessions and changing his style of government. The president was also confronted with massive international criticism from African and Western countries, which died down quickly after the presidential election. However, funds to assist the country in regaining economic strength continued to be withheld, which precluded substantial economic progress from taking place. Resolving the political crisis had to take precedence if economic reforms and steps to stimulate business in the country were to be taken. In March 2006, the regime therefore returned to the negotiation table. Pressure from Western countries was, however, necessary to induce Faure Gnassingbé to agree to take part in inter-party discussions, which were ultimately mediated by the president of Burkina Faso, Blaise Compaore. The opposition participated in these talks, having understood through past experience that boycotting the process ultimately works to the government's advantage. In addition, civil society groups were invited to the negotiation table. The negotiations ended with an Accord Politique Global, an agreement signed in August 2006 to form a government of national unity, improve domestic security and the human rights situation – including the military's return to the barracks and the prosecution of human rights violations – and to create a conducive environment for the repatriation of migrants. The agreement also foresees institutional and constitutional reforms aimed at creating a democratic system and establishing the rule of law. On 16 September 2006, the lawyer Yawovi Agboyibo, president of the opposition party Action Committee for Renewal (CAR), became prime minister, heading a government composed of members of President Faure's party, Rally of the Togolese People (RPT), his own CAR party, other opposition groups and members of civil society organizations. Through October 2007, when the present legislature's mandate expires, the single most important task of Agboyibo government is to organize democratic elections, which are scheduled for 24 June 2007. However, considering the state of preparations at the end of January 2007, this date will likely be postponed to September 2007.

History and Characteristics of Transformation

Togo wrested its independence from France on 27 April 1961. After leading two coup d'états, the first ousting President Sylvanus Olympio in 1963 and the second ousting President Nicolas Grunitzki, Ltd. Col. (later General) Gnassingbé Eyadéma became President of Togo in 1967. Establishing a one-party government, Eyadéma ruled Togo with authoritarianism for 38 years. Taking advantage of the support of Western countries, who appreciated Togo's capitalist orientation, General Eyadéma went almost unchallenged until 1990. Consequently, any efforts by the mostly clandestine opposition to expand freedom and democratic participation in the country were undermined.

In early October 1990, influenced by the implosion of the Soviet empire and by apparently successful democratization efforts in a number of African countries – including neighboring Benin – students organized a general strike and opposition parties demonstrated against the Eyadéma government. In August 1990, a National Conference was organized with the objective of deciding on the country's new constitutional and political order. The assembly opted for a semi-presidential system and elected an interim prime minister. Four months later, however, President Eyadéma ordered the army to attack the interim government, re-establishing his dictatorial power.

The presidential elections that followed in 1993, 1998 and 2003 were not organized democratically, prompting several opposition groups to boycott them, which in turn resulted in overwhelming victories for Eyadéma. Attempts by opposition groups and civil society organizations to challenge the government through demonstrations and general strikes were brutally crushed by the army and security forces. Thousands of frustrated Togolese citizens left either for neighboring countries or to Europe. Political resistance gradually lost out to apathy, pessimism and frustration.

The opposition parties were divided into a radical and a more moderate bloc. While the former advocated an unconditional overthrow of Eyadéma's government, the latter left room for negotiations. Eyadéma, however, succeeded in winning concessions by creating pseudo-opposition parties who apparently supported his policies. Aiming to

avoid international isolation, Eyadéma created these parties to give the impression that his country was following the rules of multiparty democracy. Eventually, the European Union suspended its cooperation with Togo despite the close ties Eyadéma maintained with the French President Jacques Chirac. Chirac even endorsed the manipulated presidential elections of 2003, praising Eyadéma as "a great statesmen." Indeed, it was France that prevented Togo from being cut off internationally.

Despite Togo's political support from Paris, the suspension of international aid and the decline in investments had severe effects on the country's economy. These effects were exacerbated by general apathy and the loss of human resources resulting from the outmigration of highly qualified Togolese citizens. By 2005, the situation had deteriorated so far that the president was compelled to show his willingness to accept changes in order to re-establish ties with donor countries and win their financial support. Following negotiations with the European Union, he promised political, administrative and economic reforms, and the organization of free, fair and transparent general elections. Shortly after that, Eyadéma died. In defiance of the country's constitution, the military proclaimed Faure Gnassingbé, the son of the late president, the new head of state. Hastily removing the president of the assembly, who would have been the legitimate interim successor, the parliament later confirmed the coup d'état by approving a series of constitutional amendments to legitimize this decision. Widespread international protests compelled the new president to call a presidential election on 24 April 2006. Despite international protests against massive electoral irregularities, Faure Gnassingbé was sworn in as president on 4 May 2005. Greater parts of the Togolese population protested against this manipulation of the public will, but the military brutally suppressed the protests. More than 400 people died, and more than 40,000 citizens fled to neighboring countries.

Togo's has since economy declined further, despite efforts by Prime Minister Edem Kodjo to implement some reforms. Finally, massive international pressure forced the antagonists of Togo's political class into negotiations, which resulted in the Accord Politique Global.

Transformation Status

I. Democracy

Togo finds itself at a decisive crossroads. A valid statement on the political and economic future of the country will not be possible until the end of 2007. General legislative elections are to be held between June and October 2007. A government of national unity under the leadership of Maitre Agboyibo, the head of an opposition party, has been formed to prepare these elections. Should they be conducted in a free, fair and transparent manner, and should the results reflect the political will of the population, Togo has a chance to overcome its present political crisis. All relevant stakeholders, including political parties, civil society and the international community, are aware of this situation. It all depends, however, on the political parties' and the military's preparedness to accept the people's verdict on Togo's democratization process.

1 | Stateness

Despite the death of President Eyadéma and the dubious way in which his son was installed as his successor, the state's monopoly on the use of force has never been questioned. The government can still count on the army's and the police's strong support all over the country. This has been clearly demonstrated through the brutal suppression of protests against the undemocratic nature of the last presidential election. In the present government, the president's brother holds the position of defense minister. This is an additional guarantee of the monopoly on the use of force. It also shows the extent to which the power of the president, his party and the military are interwoven.

The integrity of the Togolese nation is not challenged by anybody, including the radical opposition. The concept of a cross-border Ewe movement, which existed shortly after independence and had the potential of calling the legitimacy of the existing borders between Togo and Ghana into question, is no longer of any importance. The special attention that President Eyadéma had given to his home area and the Kabye tribe is no longer a government priority. It is, however, obvious that the preferential recruitment of military and civic leaders from that area is still providing the president with a strong power base. It is equally important to point out that the degree of political oppression in Eyadéma's home area has been even greater than in the rest of the country.

Monopoly on the use of force

State identity

Generally, religious leaders do not try to influence government policy in order to promote their own interests. However, various Christian groups, both Protestant and Catholic, have made a considerable attempt to play a constructive and significant role in the transitional process, especially in the electoral process and the implementation of the decentralization policy. These efforts have gained additional strength since the agreement of 20 August 2006, and the nomination of Agboyibo as prime minister. Efforts have also been made to forge a greater coalition with Muslims and with civil society in order to support the country's democratic consolidation.

In principle, a basic administrative structure exists all over the country, right down to the level of the thirty prefectures as well as the mayors of towns. Despite the lack of adequate funds, corrupt practices and a strong dependency on direct interventions from central government, it is somewhat functional and respected by citizens. On a lower administrative level, the traditional leaders are entitled to guarantee territorial administration. The economic crisis and the accompanying deteriorating infrastructure, lack of technical equipment and ever-increasing corruption, however, have led to a gradual erosion of the administrative system.

2 | Political Participation

With the exception of the 1993 legislative elections, democratic, free, fair and transparent voting has never taken place in Togo. The results of those elections would have led to a change in government if all parties had respected fair and transparent procedures afterwards. President Eyadéma became aware of the fact that the majority of the population would not support him in a free voting process. Consequently, all further elections were manipulated, including the presidential election of 2005. The opposition boycotted most of these elections, which resulted in overwhelming victories for the ruling party, giving the regime an even greater advantage. The April 2005 presidential election was a sham. It had become obvious that the opposition would not boycott elections again. Therefore, the ruling party used other means to thwart any democratic voting process. Most international observers - with the notable exception of ECOWAS observation commission - declared the election of President Faure Gnassingbé to be legitimate. It is therefore doubtful whether the legislative elections of 2007 will meet the criteria of democratic elections. The present government's power to organize such elections and enforce the relevant rules is very limited. However, civil society and the international community support the prime minister's efforts to organize democratic elections, and the European Union has promised financial and technical assistance for holding free and fair elections.

Until now, rulers have not been elected democratically. Whether this will be change with the 2007 legislative elections must be observed carefully. There is a

No interference of religious dogmas

Basic administration

Free and fair elections

Effective power to govern

good chance that the president will accept fair and transparent procedures because his own position is not a stake. He is also interested in showing democratic leadership qualities to the outside world in order to gain economic and financial support from abroad. It is of utmost importance for the democratic process in Togo that the Union of Forces for Change (UFC), the party of radical opposition leader Gilchrist Olympio, participate in the next elections. If Olympio and the UFC participate, it would forestall an extra-system opposition that could block the whole transition process. The UFC participated at the all-party negotiations but refused to take part in the government of national unity. On 2 February 2007, Olympio held a political rally in Lomé, declaring that the UFC will compete for parliamentary seats.

Freedom of association is guaranteed in principle but only partially so in practice. Within civil society and the political opposition, however, the August 2006 agreement engendered a degree of confidence regarding potential free association and meaningful participation. Self-censorship, which had developed over the last four decades, is now declining. This is partly due to the fact that the judiciary has shown some commitment to dealing with human right violations since the last elections. Nevertheless, there is still tremendous fear that the brutality and oppressiveness of the past could be repeated if the election results do not please the president, his party and especially the military.

Violent attacks on journalists and strong state control of the print and electronic media, including Internet cafes, marked the beginning of President Gnassingbe's rule. Since the elections, there have been some slight improvements. There is a more vibrant and controversial media presence in the country. Even in the state-controlled public media, open debates are now more common. But the overall situation of oppression remains unchanged, a fact illustrated by several attacks on individual journalists. Moreover, the official independent body that supervises the media (HAAC) still exercises a lot of pressure on some private publishers. In January 2007, for example, the Catholic station Radio Maria suspended a well-received program for neutral voter education after the Archbishop of Lomé was approached by the HAAC. Togo ranks 171st ("not free") on Freedom House's Global Press Freedom survey. The litmus test for media freedom will be the 2007 electoral campaign and the elections themselves.

3 | Rule of Law

Despite some minor improvements, there has been no general breakthrough toward a system of checks and balances. After the death of his father, Faure Gnassingbé came to power on the wings of an unconstitutional act of parliament and approved by the courts. Although manipulated, the elections that followed were endorsed by the country's judiciary. The present legislative assembly was Association / assembly rights

Freedom of expression

Separation of powers

not elected in free elections. Consequently, its members are weak and are dependent on the president.

An independent commission found evidence of serious human rights violations by military forces against citizens who protested the manipulation of the last elections. The forces have yet to be tried and condemned. It is unlikely that Togolese courts would rule against the president's orders when matters of substantial interest to him and his party are concerned. The dependency of the judiciary on the president also makes it difficult for the present prime minister to implement his own government program in an independent manner. He has no real backing from the other constitutional organs. An efficient judiciary is hindered by a strong dependency on the president, corruption, administrative weaknesses and poor technical equipment.

Office holders are – in practice – not accountable to institutions or the public. Therefore, corruption can be found in all parts of the administrative and economic system. Some corruption cases have been dealt with in the media but with no further consequences. Corruption formed the base of the current concentration of power and is so endemic that it must be considered the single most important factor that keeps the patron-client system intact.

In principle, the constitution provides for the protection of human and civil rights. In practice, the situation has not really improved since the death of President Eyadéma. It is still difficult for citizens to defend their rights in the courts or to hold government accountable. Opposition is not tolerated. There are still cases of detention and torture of persons who have openly criticized the president. The suppression of protests against the manipulation of the last elections led to the death of more than 400 persons, with almost 40,000 people leaving the country. Only a few of these violent acts by the security forces are being prosecuted. In general, impunity and weak law enforcement are the order of the day.

4 | Stability of Democratic Institutions

There are no democratic institutions. However, despite the 40-year one-party dictatorial system, some traces of respect for political institutions can be found. The rules are formally accepted by all branches of power. There are some players in the political, judicial and administrative spheres who demonstrate loyalty to the legal system and would constitute the backbone for a functioning administrative system in the future.

The efforts of the opposition to achieve political change have been generally nonviolent. The opposition has tried to avoid armed confrontation with government. In certain cases, violence could not be avoided, but it was always instigated by Independent judiciary

Prosecution of office abuse

Civil rights

Performance of democratic institutions

Commitment to democratic institutions

the military or police. The opposition has consistently tried to use existing constitutional mechanisms to achieve change. Therefore, it is expected that the opposition will accept a successful political transition toward democratic rule. Whether the military will accept change is doubtful.

5 | Political and Social Integration

Political parties exist, but they are weak in their organizational structure, internal democracy and program development. The ruling party Rally for the Togolese People (RPT) is still characterized by the legacy of one-party rule and, given its large majority in the National Assembly (72 out of 81 seats), it strongly dominates the legislative. In general, party members follow the will of their leaders unconditionally, who in turn distribute privileges on the basis of loyalty. All other parties have a similar structure and are largely dependent on their party leaders. In the Action Committee for Renewal (CAR), there are more open debates and deliberations, but they do not represent a challenge to Agboyibo's leadership. The radical opposition party UFC recently had to overcome a split over the question of whether to participate in the government of national unity.

The interests of different social groups are not adequately represented in decision making because there is no strong associative system. The trade unions hardly play any role. A certain degree of representation of interests can be found in the churches and their various programs and associations. A considerable level of self-organization can still be found in the traditional leadership system. However, it has also lost a lot of power because many of the chiefs were corrupted by the Eyadéma regime.

There is no reliable data on citizens' consent to democratic norms. It is clear, however, that a majority of citizens expect more political freedom and more development-oriented policymakers.

The degree of self-organization is quite high as far as the traditional system of rule is concerned. However, the population no longer fully accepted the leaders because many of the chiefs have been put under pressure by the central government. As a result, they fear severe sanctions for not following the government's instructions. Many smaller NGOs, including faith-based associations, were revitalized in 2006 because they hope for a real transition to democracy. Many of them have a direct impact on people's socioeconomic welfare within a smaller geographic framework. A growing number of organizations on the national level are working toward free and fair legislative elections.

Party system

Interest groups

Consent to democratic norms

Associational activities

II. Market Economy

Togo's economy is negatively affected by the country's political crisis, by the undermining of any form of competitiveness and merit-based benefits, by administrative framework conditions, which are not transparent but rather corrupt and erratic, and by the absence of donor support since 1992. Population growth is still higher than economic growth, which puts pressure on the socioeconomic situation, with a majority of people excluded from the market and dependent on subsistence economy. The single most important condition for a positive economic development based on market principles will be a decisive step towards democracy.

6 | Level of Socioeconomic Development

Due to Togo's political instability, there has been no remarkable progress in terms of socioeconomic development. On the contrary, since 1995 the human development situation in Togo has been in constant decline. The country has dropped 4 places in the Human Development Index. Togo now ranks 147th out of 177 countries. A complete economic collapse could only be avoided because of the important role of the subsistence economy in rural areas and the potential of the informal sector in urban areas. This means that a greater percentage of the population is still excluded from socioeconomic development. The percentage of the population living below the national poverty line is 32.3%. The percentage of underweight newborns is 25%. The mortality rate among children under five is still 168 out of 1000 births. The proportion of people with access to improved sanitation has dropped since 1990 (now 35%), and only 52% of Togolese have sustainable access to an improved water source. Adult illiteracy is at almost 50%. The national university shows a higher rate of enrollment, but its equipment, research facilities and libraries are in deplorable condition. Government spending for social services has remained very low, with 1.4% of total expenditures going to public health and 2.6% to education. The majority of Togolese are deprived of any government support and excluded from any socioeconomic development. Only the relatively favorable weather conditions in the last two years have helped to avoid an even more severe socioeconomic crisis. In a November 2006 agreement between the government and IMF, priority was given not only to macroeconomic stability and the strengthened governance, but also to spending in areas such as infrastructure and social needs.

Socioeconomic barriers

Economic indicators		2002	2003	2004	2005
GDP	\$ mn.	1,476	1,759	2,061	2,203
Growth of GDP	%	4.1	2.7	3.0	2.8
Inflation (CPI)	%	3.1	-1	0.4	6.8
Unemployment	%	-	-	-	-
Foreign direct investment	% of GDP	3.6	1.9	2.8	0.1
Export growth	%	3.6	6.6	3	7.5
Import growth	%	5	2.9	3	2.8
Current account balance	\$ mn.	-139.9	-161.9	-205.7	-
Public debt	\$ mn.	1,323.4	1,484.9	1,608.7	1,468.7
External debt	\$ mn.	1,572.8	1,701.9	1,836.5	1,707.8
External debt service	% of GNI	0.9	1	1	0.8
Cash surplus or deficit	% of GDP	-	-	-0.3	-5.5
Tax Revenue	% of GDP	-	-	14.4	13.3
Government consumption	% of GDP	8.4	9.8	9.7	9.6
Public expnd. on edu.	% of GDP	2.6	-	-	-
Public expnd. on health	% of GDP	0.9	1.0	1.1	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	-	1.6	1.6	1.5

Sources: The World Bank, World Development Indicators 2007 | UNESCO Institute for Statistics | Stockholm International Peace Research Institute (SIPRI), Yearbook: Armaments, Disarmament and International Security

7 | Organization of the Market and Competition

Despite efforts aimed at reducing business constraints, the Heritage Foundation's Index of Economic Freedom still rates Togo as a repressive system. The 2007 index improved by 3 points compared to 2005 (from 46.8 to 49.8). This progress is due to some liberalization efforts in trade, efforts mostly confined to the free port of Lomé. Recently, a more liberal telecommunications system was introduced. It has provided for more competition, leading to a considerable fall in consumer prices. However, no major reforms have taken place yet in the water

Market-based competition

and agricultural export products (like cotton) sectors. Moreover, the political crisis makes secure investment impossible, and so investment in the low- and high-level informal economy is still extremely high. The most important asset needed to attract foreign direct investment is a stable currency (CFA franc), which is linked to the euro.

Since the privatization of phosphate production and the liberalization of telecommunications, the government has made no further efforts to withdraw from key production sectors. This is only likely to happen when the ruling elite's influence in these sectors is reduced, a precondition for a politically stable environment with a favorable investment climate and clear and respectable framework conditions, enforced by an independent judiciary. None of these conditions are in place at the present time.

The country-wide zone franche and especially the port, one of the most vibrant in West Africa, are under government control. Freedom and competition exist only on paper. In reality, a few elitist networks rule the system in close cooperation with government and military leaders. This situation has not changed since Faure Gnassingbé came to power.

The country's banking system is – despite very high interest rates – relatively intact. This is a consequence of Togo's membership in the CFA franc zone. However, government involvement in lending and banking decisions has caused the banking sector to deteriorate in recent years. This is the reason for the IMF's inclusion of a reform of the banking sector in its latest agreement with the Togolese government. On the capital market, micro-finance systems play an everincreasing role, especially for the small- and medium-scale sector. They provide easy and rapid access to capital and operate quite transparently.

8 | Currency and Price Stability

The currency's stability is one of the most important factors contributing to the still relatively peaceful situation in Togo and makes economic operations, based mainly on import-export relations, viable. This situation is buttressed by Togo's membership in the West African Economic and Monetary Union (WAEMU). Nevertheless, inflation has been increasing. It has hit economic operations as well as people's ability to survive because salaries have barely changed since the devaluation of the CFA Franc in 1994.

The economic situation remains fragile. The government regards macroeconomic stability as important, but partly only due to donor pressure. Save for external influence, government policies lack institutional safeguards. The economy depends on a very innovative and flexible informal sector and a stable currency.

Anti-monopoly policy

Liberalization of foreign trade

Banking system

Anti-inflation / forex policy

Macrostability

A further serious handicap for economic consolidation lies in limited industrial production, which is also mainly in the hands of foreigners. After informal economic activities, trade contributes by far the most to GDP.

9 | Private Property

The protection of private property is basically guaranteed, but the weakness of the judicial system hinders law enforcement in cases of conflict. There are severe difficulties in the area of land and intellectual property rights. Private entrepreneurship has always been the backbone of Togo's economy. The informality of economic regulations is the reason for a low standard of workers' protection.

Certain sectors of the economy have been privatized due to pressure by the IMF and World Bank. Paradoxically, however, this has increased the government's influence because privatization was handled with little transparency and opened further doors for informal government participation in profit-sharing. Togo's international partners have requested that steps toward economic liberalization be taken and that conditions conducive to investment be put in place.

10 | Welfare Regime

There is a lack of social services all over the country. The sick, elderly and unemployed cannot count on public support. Basic systems of social support for people in need work only in areas where foreign assistance is available – through international organizations, other governments, churches or NGOs. However, a change has taken place regarding the recognition of the existence of HIV/AIDS. A nationwide awareness campaign, carried out mainly by non-governmental organizations, is visible everywhere. The government, however, does not regard the NGOs' activities as necessary. People who depend on the solidarity of others find themselves in an extremely vulnerable situation. Traditional solidarity systems have come under immense pressure because of the fragile economic situation, the rising prevalence of HIV/AIDS and the insufficient possibility for most people to accumulate savings.

The political and economic system in Togo is dominated by patron-client relations. Scholarships, interesting job opportunities, positions in the public as well as in most of the private sector are only obtainable for those with the familial means to support them. Achievement and merits are important only in an international context – in embassy chancelleries, in the few still operating development agencies and, to some extent, in foreign private companies. In general, opportunities depend on an individual's social status and political

Property rights

Private enterprise

Social safety nets

Equal opportunity

affiliation, or on his/her personal connections. Public reactions in Togo to the South African legislative reform allowing same-sex marriages have shown that homosexuals are still subject to severe discrimination and that this problem is not being addressed. There is no religious discrimination in Togo.

11 | Economic Performance

Togo's economic performance is mixed. Inflation rates are relatively low, but have been considerably higher in the last two years than in the previous period. Togo's economy continues to benefit from the crisis in Côte d'Ivoire, and the 2006 growth rate was around 4%. Profits, however, are not reinvested in the productive sectors of the economy. The informal sector continues to show high effectiveness and some growth. Togo's economy remains heavily dependent on both commercial and subsistence agriculture, which provides employment for 65% of the labor force. Structural stagnation is significant. Basic government policies have not changed, and there are few signs for an orientation toward reform. Therefore, there is little incentive for further investment in productive sectors. The government is still operating with a budget deficit, which is partly caused by high military and security spending. Further progress will depend on more privatization, higher transparency in government financial operations, progress toward democratic legislative elections and support from foreign donors.

12 | Sustainability

The way the government deals with matters of ecological importance demonstrates its failure to rule the country with a long-term perspective. Urban and rural waste management systems barely exist. Pollution of the country's water supply systems is on the rise. At the same time, plantations dating back to the colonial period systematically exploit the once abundant forest reserves while the state sees none of the potential rewards. Profits go only to government officials and foreign companies, and the ecological impact is severe. There are neither reforestation efforts nor measures to promote alternative energy sources. Consequently, farmers are seeing serious changes to the microclimate.

Togo's education system is in shambles. Primary and secondary education takes place in deplorable school buildings with insufficient teaching materials. Classes are too big, there is no reliable nutritional support, and the water and sanitation systems in schools have completely disappeared in some cases. In addition, there is a high rate of non-attendance to schools because children often have to help in their parents' households. This phenomenon is most pronounced among girls. To complicate matters, teachers are often paid several months late. They are hardly motivated to work under these conditions, which are becoming worse due to

Output strength

Environmental policy

Education policy / R&D students' bad health. Without the efforts of churches in primary and secondary schools, the system would already have collapsed. The university campus in Lomé, once planned to accommodate 7,000 students and now host to 17,000, is far too small and poorly equipped. The environment is unsuitable for academic research and applied sciences.

Transformation Management

I. Level of Difficulty

Togo faces a high level of difficulty for economic and political transformation. The country has the typical problems of a low-income country with a tremendous need for human development in order to make use of its potential. This potential does exist and could, if appropriately used and promoted by government, be the basis for sustainable development efforts. The country has phosphate mines, a raw material which was once the biggest export product. In addition, soil conditions are still very good, making farming a potentially lucrative business. The country is geographically well positioned as a transit place to the Sahel countries and with important trade connections to Benin and Nigeria in the East and Ghana and Côte d'Ivoire in the West. This position creates commercial opportunities. The name of the country's capital, Lomé stands for a series of international meetings and treaties because the town has been an important conference center in the past. Despite tremendous efforts by neighboring capitals to compete with Lomé, there is still a good chance for Togo, because of this legacy, to regain its importance. Until the late 1980s, Togo had shown that moderate but constant wealth creation can be achieved on the basis of the aforementioned resources. Neighboring Ghana and Benin, equipped with similar potential, also show that substantial progress is possible in terms of macroeconomic growth. It is important to mention the growing awareness in Togolese society of the detrimental effects of HIV/AIDS. The pandemic can only be slowed if the government and other important institutions take resolute steps. Initial efforts in that direction are currently being made. Unfortunately, the political crisis in the last years has already contributed to the deterioration of some of the country's resources. For example, the possibility to attract tourism is lower than before because of uncontrolled building activities at the country's beaches. Moreover, road and hotel infrastructure needs serious renovation.

The most important negative development is the growing apathy, agony and frustration of Togolese citizens. There is a tremendous work to be done in order to convince people to take active part in a substantial reform process. Furthermore, the regime has succeeded in creating a general climate of distrust and suspicion among Togolese men and women, as well as an opposition to

Structural constraints

foreign interventions. This attitude was reinforced after the death of President Eyadéma, when many reform-oriented groups realized that the old regime was not only dependent on one dictator, but also on a whole sophisticated system of rule that would continue to exist. This system is in the hands of a strongly interwoven elite, which distributes the wealth of the nation. They collaborate extensively with the army and block any attempt to introduce reforms that could really challenge their privileged position. The resulting pessimism in the population and the tendency to limit one's focus to mere private life are the most severe challenges to the efforts of any future government to improve things.

Civil society traditions are rather weak. The Accord Global Politique signed in August 2006 brought about the creation of new civil society organizations and revitalized dormant ones. This included mainly those non-governmental groups who want to contribute to free and fair elections. Civil society players have understood that any future achievements in the country will depend on these elections. There is therefore also quite a strong commitment among various organizations to join forces and cooperate. Churches and some NGOs support the existing system of traditional self-organization in villages. In the future, these efforts could serve as a starting point for a serious decentralization effort. Labor unions are very weak, and farmers have no representation at all.

In the past, Togo's government has always played the regional card, giving privileges to the late President Eyadéma's home area. This policy seems to be of less importance to the current president. It remains to be seen whether the predominantly Kabye leadership in the military and police will accept a more open policy on this level. Religions tensions are almost absent, as neither Islam nor Christianity are fundamentalist in character in Togo. It is astonishing that the tremendous socioeconomic decline has not led to more violent protests. In that respect, it can be expected that clashes motivated by socioeconomic differences will not occur in the future either, unless politicians make use of inappropriate rhetoric.

II. Management Performance

The political transition from father to son has not brought substantial steps towards real democracy. The most important change can be seen instead in the image of Faure Gnassingbe's administration. There has been an attempt to overcome the communication gap left between the government and the population at the end of the Eyadéma era. The present government's character is very informal and mainly authoritarian. Half of the ministers directly follow the president's instructions. They also have the full support of the military and Civil society traditions

Conflict intensity

influence economic decision-making through consultation with cronies of the old regime. The prime minister can therefore hardly harmonize government action. He tries to be more open for dialogue and listens more to the ideas and concerns expressed by the people. It is impossible to change within a few months what has been the model of governance for almost four decades. Many old habits and behaviors still exist. Even if Togo were able to successfully transition to democratic rule in the 2007 parliamentary elections, a transformation of the system and of citizens' behavior would be slow in coming.

14 | Steering Capability

The old elite's single most important objective was to remain in power. All efforts were focused on this target. Both government and opposition are now positioning themselves for the next elections – on the platform of a common government. Any other political objectives will not be pursued until afterwards. Even the negotiations with Togo's international partners – the European Union, France, other European countries and the IMF – have to be seen in this context. It is, of course, extremely important for the government to get financial support to reconstruct the country and implement a consistent development policy. Plans to support the country do actually exist, but only a legitimate and secured government based on citizens' electoral decision will have the steering power to see all those programs through.

Reforms conceptualized in the past (decentralization, public sector reform, economic liberalization) still await implementation. The present government has neither the power nor the mandate to go in this direction. Therefore, the electoral process is this government's only important task. Since the antagonists of Togolese political life sit together in the present government, this will not be an easy task. It seems, however, that despite some difficulties with certain aspects of the electoral process, the necessary preparations for democratic elections are underway. On 1 February 2007, the parliament accepted the Electoral Commission's proposal to use a proportional electoral system with the prefectures as constituencies. The bill also provided for voter registration to take place with voter cards bearing the owner's photo.

The political class has to show a tremendous amount of flexibility in order to overcome a situation of distrust and severe opposition and work together for the future. Efforts are being made in this direction. At the same time, there are severe clashes within and between political parties regarding the right strategy for the future. Some important protagonists in the RPT as well as radical opposition leader Gilchrist Olympio are not at all convinced that cooperation with the once fierce political opponent is possible. Their attitude tends to reinforce the general atmosphere of distrust dominating political life in Togo. Prioritization

Implementation

Policy learning

Pressure from outside as well as the public's expectations make it possible that the different camps of the political class will indeed pursue democratization and overcome some of the old bad habits.

15 | Resource Efficiency

The present political system of patron-client relations can only be run at the price of an extreme waste of resources. The best example for this is the size of government itself with almost 40 ministers (ministers of state and deputy ministers included). As the economic and political system is entirely based on the distribution of public funds, the use of these funds is extremely overstretched. Too many interests have to be served, and too little is actually done to make use of public opportunities. The same problems are found in the public sector. In addition to widespread corruption, there is also a tendency among civil servants to show that they are indispensable. They constantly invent new and complicated administrative procedures and obstacles. These practices make the administrative apparatus of the country big and hardly transparent. At the same time, they slow down economic activities. Resources such as the unique market position of the port and the country's raw materials are exploited quite effectively when this serves the interests of the elite. However, the use of these resources has never been directed toward a sustainable development policy, let alone democratic transformation. The country's administrative system is used to control the country, not to stimulate development and create positive investment opportunities.

The management of conflicts in the present situation is focused on the organization of the electoral process. Apart from that, neither the previous nor the present government ever cared about policy coordination. If there are positive steps, they depend on the efforts and integrity of individual members of government.

There is an official anti-corruption policy in Togo. It has, however, never been implemented by previous governments because those governments did not have any legitimacy or enforcement power. This situation came about because they themselves came to power by corruption, remained there by corruption and used their position to make corruption a tool for self-enrichment. The present prime minister has announced his government's fierce stance against corrupt practices, especially those linked to electoral fraud. It is doubtful, though, that he has sufficient enforcement capacity. Efficient use of assets

Policy coordination

Anti-corruption policy

16 | Consensus-Building

A consensus on democracy and market economy is very dubious. In the past, the government was clearly not committed to liberal democracy or the rule of law. The agreement reached between the government and the opposition at Ouagadougou in March 2006 and the subsequent formation of a government of national unity, however, represent the second important attempt to build a national consensus after the 1990 National Conference. The first experiment did not succeed because of the lack of unity among the opposition and because President Eyadéma's camp showed no political will for genuine reform. The question is whether the situation in 2007 is any different. Gilchrist Olympio's refusal to be part of the government of national unity is a threat to a consensual approach to change. However, important figures in his own opposition party have not accepted his decision and form part of the government. Therefore, Olympio's position might also change. The government's main concern is the need to be on good terms with the international community. President Gnassingbé also has a personal interest in correcting his father's negative image.

Reformers still have no control over anti-democratic veto actors; in the past, the most powerful anti-democratic veto actor was the government, backed by the military. It will be of utmost importance to continue dialogue with Gilchrist Olympio's UFC. In addition, civil society and Togo's international partners will have to generate enough clout to react rapidly to any attempt to manipulate the elections.

There may be signs that the government will make substantial headway in deescalating certain cleavages. The leadership was able to come to a consensus and form a common government. The litmus test will be the situation after the next elections. Provided the elections are free and fair, it will be crucial that the various players accept the outcome.

In the present situation, the participation of NGOs and other actors (such as faith-based organizations) is important for a transparent electoral process, which actually takes place. ECOWAS regulations, agreed to by the Republic of Togo, and the global political agreement provide for the free participation of these groups. This provision was not respected during the rigged 2005 presidential election, however, there are some signs that civil society will play an important role in the preparation and conduct of the 2007 parliamentary elections. This also includes voter education and monitoring. Should this be the case, it could also be the beginning of intensified NGO and faith-based organization participation in future political decision-making, something the former regime has always rejected.

Consensus on goals

Anti-democratic veto actors

Cleavage / conflict management

Civil society participation

In May 2006, the government ordered an investigation of violence against civilians for the first time. As more than 400 people were killed for protesting the undemocratic and manipulative nature of the presidential election, the government wanted to demonstrate its concern for human rights. The final report of the investigating commissions indeed confirmed the unconstitutional and illegal way of suppressing the protests and killing the protesters. However, it blamed in equal shares the military, the government and the opposition, who, according to the report, had provoked the violence. Although this report lacks any objectivity, it is a signal of hope that violent practices on the part of the military and state police were given attention for the first time.

17 | International Cooperation

The government is actively seeking financial support from Western partners to overcome the country's economic crisis. This support was indeed given by the IMF, the European Union and the Benelux countries, under the condition that the legislative elections be held in time and in a democratic manner. In addition, a couple of reform programs such as devolution/decentralization, public sector reform, liberalization of the market and investments in social infrastructure are envisaged, and assistance is being offered to the government. This puts enough pressure on the president's camp to make these elections possible. In recent years, African leaders have increasingly voiced requests for reforms in Togo. This was especially the case among those leaders who are at the forefront of creating a sound democratic order in Africa through the New Partnership for Africa's Development (NEPAD) and the African Union.

More so than his father, President Gnassingbé has established more realistic and reliable relations with the governments of neighboring countries. He tries to play a constructive role in various regional bodies. He has reaffirmed his commitment to build up a true democracy and to respect the rule of law several times. Should the next elections really follow democratic criteria, the president will have laid the ground for an intensified cooperation with European Union members, the United States and international finance organizations. Prime Minister Agboyibo has gained respect both in West Africa and in Western countries. It is on the basis of this credit that he can expect to receive considerable support for his policies if they prove to be coherent.

Togo is a member of ECOWAS, the West African Economic Community and WAEMU, the currency union of most of the French-speaking West African countries. It participates regularly at meetings and respects the rules of these organizations because they are of utmost importance to the country's stability and economic survival. However, 25,000 Togolese refugees still remain in neighboring countries. The government in Togo has no real proactive programs

Reconciliation

Effective use of support

Credibility

Regional cooperation

to bring them back, as many of these refugees are considered pro-opposition. There were even reported undercover assassination missions by Togolese agents on the territory of neighboring countries.

Strategic Outlook

The international community is currently playing a constructive role in Togo. The cooperation between European and West African neighboring countries in particular functions quite well.

The task at hand is quite delicate. On the one hand, the present government of Prime Minister Yawovi Agboyibo needs sufficient international support in order to gain public repute and backing and to increase capital. On the other hand, pressure on the government must be maintained in order to avoid any excuses for a possible corruption of the electoral process.

The elections must not only follow clear and transparent rules as far as registration, voting list maintenance, polling station security, voting procedures and the counting and publishing of votes are concerned. It is also of utmost importance to create an equal playing field with regard to media representation of the candidates and campaign financing. Massive voter education will be necessary in order to make citizens aware of their right and duty to vote, to mitigate fears of oppression, to allow voters to know their candidates and their programs, and to make an informed choice rather than one based on pressure or corruption.

For such an effort, many human and institutional resources will have to be mobilized, and considerable funds will be needed. The process involves, of course, the Electoral Commission, but also the police, the military, the media, civil society organizations, and political parties, each of which will have to understand and fulfill their roles in democratic elections. Given the extraordinary importance these elections have for the future of Togo, the international community supports this process in a very substantial way and with the necessary funds. Moreover, the elections will have to be closely monitored by a sufficiently large and well-trained group of Togolese election monitors. At the latest, international observation should start two weeks before the elections and take the observations of national monitors into account, especially with regard to the manipulation and buying of votes. Any further aid for Togo should depend on the conduct of the legislative elections. This condition must be clearly communicated.

Should a democratically elected government come to power, help for economic reconstruction is of immediate importance if the system is to be stabilized. This assistance should also aim at supporting further reforms of the administrative and political system, including public sector reform as well as devolution and

further economic liberalization supported by a meaningful social welfare system. Should the current ruling party, Rally of the Togolese People (RPT) lose the elections, it will be important to continue dialogue with and the respect for its leaders in order to avoid frustrations that might turn violent. It is important to support a democratic culture that provides for the expression of alternative views and the possibility of a future change in government. The international community will – even if legislative elections are conducted successfully – have to be vigilant until the next presidential election if it wishes to avoid prematurely proclaiming the success of the democratic process.