

**AFRICAN ANSWERS TO AFRICAN CHALLENGES**  
*Why the East Asians became tigers and Africans beggars*  
Elly Twineyo Africa's Political Economy Essays 20 April 2013

By

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This book takes a critical and different approach to discuss the challenges of Africa. It proposes mainly African answers to the African challenges. It proposes that most of the problems facing African countries are domestic rather than external. This is not to ignore the external factors. They are covered as well but the book runs away from the clichés and the typical blame game (e.g. that colonization is to blame for Africa's current poor economic performance). While the book is about Africa as continent, analysis should focus on some countries: those making strides towards growth and democracy and those not. The focus of the book is on Sub Sahara - a bloc of countries that have continued to lag behind in growth and poverty reduction (wealth creation).

There is also discussion on the relationship between the size of government, growth and democracy. Analysis and discussion shows that while there is no direct correlation between growth and democracy, growth is important for regime survival, and democracy in Africa.

The issue of impact of leaders staying long in power in Africa is analyzed.

The key ingredients to address African challenges are i) The leader as an individual matters a lot more in current African situation; ii) good neighbourliness and regional integration; iii) Role of government in economic transformation; iv) Population health and education matters to growth and development; and v) availability of capital to the private sector.

We show that once these have been addressed, African countries will grow and develop.

*The book is divided into six parts:*

1. *WHY THE WHOLE WORLD SHOULD BE INTERESTED IN AFRICA*
2. *STATING THE CHALLENGE: Identifying the cause and effect - Internal factors*
3. *STATING THE CHALLENGE: Identifying the cause and effect - External factors*
4. *ADDRESSING THE CAUSE AND EFFECT: What Africans have to do*
5. *ADDRESSING THE CAUSE AND EFFECT: Your role as partners and people of good will*

## 6. *CHANGE IS POSSIBLE – A new partnership is necessary*

### PART I: WHY THE WHOLE WORLD SHOULD BE INTERESTED IN AFRICA

#### Chapter I: Introduction:

This part, the smallest and with only one chapter, highlights both the potential opportunities and benefits to both the African countries and the developed countries. The opportunities include a rising middle class currently around 350 million, rising urbanization and growing education labourforce, arable land and precious minerals, among others.

It also highlights the serious threats to the entire world (especially the developed countries) if Africa does not become economically strong and join the global economy. Threats include rising acts of terror, pirates, dwindling global markets, and 'begging bowl' for foreign aid.

### PART II: STATING THE CHALLENGE: Identifying the cause and effect: Internal factors

This part identifies the key domestic factors that have affected economic transformation and growth of the African countries over the years. While others have discussed these factors, this part identifies individual leaders in particular countries (not necessarily the political systems) as the key cause of most countries lack of growth. The other causes are failure to appreciate the importance of private sector and create an enabling environment for it; poor relations with neighbours; lack of an effective continental wide unifying organization (the African Union is weak and has not delivered for Africa); and poor marketing of the image and potential of individual economies. We state that colonization is no longer an excuse for Africa's current poor showing.

### Africa's slow economic transformation and elusive inclusive growth

We define the concepts of economic transformation, economic growth and inclusive growth. We show how to achieve economic transformation. We show that it takes long to achieve economic and social transformation, but is achievable. We show how Asian countries such as Singapore, Taiwan, Republic of Korea, and China achieved growth.

### Can we continue to use colonization as an excuse for Africa's current slow growth?

We show that colonization is no longer an excuse for African countries slow growth. We show that where colonization left good infrastructure, it was destroyed by bad leadership.

### What does 'Africa' mean?

We trace the history of the name Africa – whether this is related to the current conditions in the continent.

### Does the African continent have internal hypocrites and enemies of economic transformation?

We define key terms used in current affairs/international affairs: hypocrites; enemies, and friendship. We show hypocrisy by individual African leaders, and international hypocrisy – and the effects.

### [African leaders](#)

African leaders as individuals – irrespective of the system of government – have been responsible for the problems in their countries. We trace this for the leadership back to pre-colonization and after independence. We show how some leaders have caused internal conflicts and wars. We also show a few good examples that have promoted the economy and are making efforts at liberal democracy.

### [African leaders using ethnicity for their political gains](#)

This is very common in most African countries. We trace African leaders using ethnicity from pre-colonial to post-independence. Discrimination later causes discontent and possible negative consequences. This has caused wars and loss of life and property.

### [Ethnic issues and bad leadership in other African countries](#)

We trace African leaders using ethnicity from pre-colonial to post-independence. We use examples of specific countries to discuss this issue. For example, President Uhuru and his vice Ruto (with cases at the International Criminal Court in The Hague) knew they would win in the Kenya elections immediately after the voters' registration exercise. Why? This is because of the numbers of their ethnic groups.

### [Looking for correlation between democracy and economic growth](#)

Before discussing regular election and multi-party democracy, we define democracy. We use empirical evidence to address the correlation democracy and economic growth in Africa. We show that studies have shown that growth is important to democracy but there is generally no correlation. We however show that in Africa, we need both democracy and growth.

### [Regular Elections and multi-party democracy](#)

This section shows that regular elections are important for democracy in Africa. However, we show that elections are always rigged; there is ballot stuffing and generally there is election fraud.

### [African Leaders staying long in power](#)

We show that some leaders have stayed long in power in Africa, and in Asia. Those in Asia for example led their leaders to the Asian miracles. Those in Africa led their countries to ruins. We show that staying long in power in an emerging African country may not necessarily be the problem – but what you do when in that office.

### [African armies and leadership in Africa](#)

Is the army important to a developing country in Africa? Should they be involved in politics? We look at this and show that the army has been involved in the politics of African countries and we discourage this. Lack of a professional army is part of the African problem. Almost 60 percent of the African leaders have their own created national army. Whenever a leader lives office, all their army is killed or goes into exile.

#### [“Heirs to the thrones” – families as political dynasties and leadership in Africa](#)

We discuss “Heirs to the thrones” in the global context and what makes them win. We then discuss the issue of “Heirs to the thrones” in Africa. This is common and part of the problems of some African countries. We show why they continue to be in the politics of Africa. We advise that in Africa, there is need for the independence of the elections agency to ensure that all candidates in an election - including “Heirs to the thrones” - have an equal chance of being voted into office.

#### [Perception surveys and indices on African leaders and the countries they lead](#)

Perception surveys and indices are important but not enough to judge bad from good leadership in Africa. They still are used, among others, by other countries to assess their relationships with African countries.

#### [Lack of unifying organization](#)

From the Organisation of African Union (OAU) to the current African Union (AU), all Africa’s continental-wide membership organisation aimed at bringing all the countries to speak with one voice has been ineffective. It has not helped protect the people from invasion or domination. It is claimed that it is instead driven by the external agenda.

#### [Are the Africans themselves – wherever they are – part of the growth problem in African countries?](#)

There are Africans on the continent. There are Africans in the diaspora. What have these Africans done to improve the plight of the countries and the continent? We discuss this.

#### [Africans in the countries on the continent](#)

Africans in their countries have failed to play a role in the politics of their land – by voting right. They have also failed to criticize wrong leaders – even if it is costly.

#### [Africans in diaspora](#)

There are Africans everywhere. We look at how they went where they are now. We state what support is required from them to the continent: tourism and FDI for those who don’t want to come; and remittance and FDI those who intend to return.

#### [Presence of Africa’s natural resources and conflicts](#)

This section presents natural resources in different parts of the continent, estimating their worth at current rates. We find that there is a lot of mineral wealth in these countries. We also look at the conflicts associated with minerals.

#### [Illicit financial flows: may be Africa is the 'net creditor to the world'](#)

Africa is losing a lot of financial resources because of the illicit financial outflows. We explain illicit financial flows out of Africa. Using government sources, African Development and Global Financial Integrity (GFI) data, we present the losses of financial resources out of Africa. We show that the outflow of illicit finance is more than in the inflow of ODA to Africa.

#### ['Soiled' name or bad image and economic prosperity](#)

Image is important to Africa. However, the image of the continent is not good. We discuss who is continuing to make it worse: bad leaders, NGOs, celebrity fundraisers, Africa 'economic refugees', the foreign media, and local media – in that order.

#### [African 'economic refugees' and the lies they tell government officials in developed countries](#)

African refugees into the developed countries tell lies to get the 'papers' to stay where they have migrated. They talk ill about the record of their countries – not that these countries always have good record and are democratic. Most immigrants are 'economic refugees' claiming that they are politically discriminated by the current governments in their countries. They know how developed countries are against political persecution. So they use it as a gateway into these countries.

#### [Local media: Are they 'soiling' the image of African countries?](#)

The local media lack financial resources to enable them gather information. They rely on foreign media (and some are owned by foreign media) to obtain information. They therefore mostly report what has already been report by foreign media. They have also been viewed as focusing on what makes news globally not nationally.

#### [PART III: STATING THE CHALLENGE: Identifying the cause and effect - External factors](#)

This part discusses the factors that are external to Africa which affect its economic transformation and growth.

#### [Slave trade and colonization – and continued foreign aid to Africa](#)

This is one of the historical causes of Africa's poor economic performance in the period following slave trade. While the word trade is used, it was not always trade – an exchange in a transaction. However, African rulers also sold their people to the trade.

Some people think that foreign aid had been used as reparation. This is wrong.

#### [Individual Leaders of rich countries personal view of Africa](#)

This section shows that the views and perception of the individual leaders in the rich countries have a bearing on the relationship, support and development of an African country. A visit by a US president to countries in Africa implies that such countries are making strides towards liberal democracy and observance of human rights, and economic growth. It also indicates that these countries have good relations with the West. This will bring these countries wide coverage in the West; and benefits will include tourists, FDI, and donor support.

### [The G8 and their support internationally](#)

The decisions by the G8 greatly influence the economic conditions in Africa. The G8 have power and influence over the aid and financial resources from the developed to developing countries of Africa. We show in this part that G8 has been influential in Africa's debt reduction under heavily indebted poor countries (HIPC) initiative, and Multilateral Debt Relief Initiative (MDRI). We also show that African countries did not use prudently the forgiven debt.

### [Foreign aid](#)

Why continue the debate on aid when variously it has been discussed – albeit with no agreement on whether continued flows are actually helping Africa? This section goes beyond the existing theoretical story to the reality of aid. It discusses the rationale why African countries continue to seek aid; and reasons are not always economic and for poverty reduction. It also presents evidence that ODA is not always given to help countries address economic problems. Aid is a political rather an economic tool – part of the donor's foreign policy strategy. And most of the actual money promised stays in the giver's rather than the recipient's country.

### [Private Aid to Africa: \*Is private aid the answer to Africa's poverty reduction and growth needs?\*](#)

We discuss the impact of private aid to Africa – which is currently increasing more than ODA. Some of it has been beneficial in the green revolution, and ICT and education in Africa.

### [The role of celebrity group who fundraise for Africa](#)

We look at celebrity fund raising and its impact on Africa. It has been criticized by different parties both in the West and in Africa.

### [UK House of Lords' Report 2012 on Economic Impact and Effectiveness of Development Aid](#)

The report that is critical of ODA, but it also guides on how UK should give aid. It categorically states that aid has not been a 'magic bullet' to address poverty reduction in Africa.

### [Bretton Woods institutions: World Bank and IMF](#)

We look at the Bretton Woods institutions and their role in providing financial support to the African countries. We also note that the rich countries influence the decisions of these institutions. The Executive Board of IMF is composed of 70 percent rich countries.

### [Unfair trade rules and lack of economic transformation and growth in SSA](#)

Global trade has not benefitted Africa. One reason is that there is a production deficit in these countries. The other reason is that the lucrative markets of both the developed and advancing developing countries impose trade barriers on imports from other parts of the world including Africa.

### [The end of the 'rules based' world trade under WTO and the rise of bilateral trade and investment protection agreements](#)

#### [Welcome to the new world of trade and investment bilateralism led by USA and the EU](#)

USA and the EU have separately been signing or negotiating several free trade agreements in different parts of the world, away from the World Trade Organisation (WTO). This shows that these big and powerful global players have less trust in WTO yet the WTO is supposed to be bring the meek and strong together to negotiate global trade rules.

### [The end of the cold war](#)

The end of the cold war has been proposed as impacting Africa's growth and development. During the cold war, the West and the East competed for allies and this came with financial support. With the end of the cold war, the unipolar system has stringent political conditions for supporting African countries. This section does not call for the cold war again. It is a statement of what was.

### [Foreign media coverage and 'soiling' the image of African countries](#)

The media are the vehicles that transport the messages from different parts of the world – via the television, radio, the computer and internet, and print media. The foreign media seems to cover the worst happening in Africa. This affects Africa's image – and the global view of its efforts at democratization, urbanization and economic performance.

### [International NGOs and the charity community](#)

NGOs usually mean good but their fundraising campaigns end up creating a negative image about Africa especially in the west. Their 'emotional' campaigns and ad show pictures that remain in the minds of the target audience as the embodiment of the African situation and image.

### [BRICS and relations with Africa](#)

The Brazil, Russia, India, China, and currently South Africa (BRICS) have been the West's major competitor for trade, investment and political relations in Africa. We show their rising economic power and what it means for Africa.

## The rise of china

We particularly discuss the rise of China and what it means for Africa under sections: *China – Africa Trade and Investment relations; Chinese and African politico-economic system: Differences and similarities; The similarities: Are African governments pursuing china-style policies and methods?* We find that there more similarities between China and some african economies.

## PART IV: ADDRESSING THE CAUSE AND EFFECT: What Africans have to do.

Africa will have to address the domestic causes of poor economic performance. To do so, Africa will have to address internal predicaments (and we give African answers to Africa's internal challenges). This section looks at the solutions under the following subheadings:

**Role of government in economic transformation:** Institutions and Policies to Boost Economic Transformation in Africa. Institutions matter – and they require leadership; Size of government and economic growth (*Does the size of government matter to economic growth in Africa?*). the size of governmnet matters to economic growth in africa based on our reasons.

**The leader as an individual matters a lot more in current African situation:** Politics matters but not as much as individual leaders in the current African context. Physical geography matters where there are bad leadership of land locked countries who don't negotiate political and economic agreements.

**Population health and education matters to growth and development** (Error! Bookmark not defined.*Population matters to growth and development; and Education and skills are important*)

**Capital Solution.** The following is suggested as key ingredients as the capital solution for african countries:

- Land tenure reform;
- Property rights;
- FDI and local investments need predictable and supportive policies and laws;
- Attract foreign direct investments (FDI);
- Attract remittances;
- Promote exports,
- Country image building and nation branding to encourage tourism
- National debt management strategy, and reducing aid;
- Make corruption evil and punish punitively;
- Oil management;
- Role of taxation in boosting growth and public accountability;
- Achieve inclusive growth via focusing on modernizing agriculture for a period of at least two decades; and



- Attitude change question.

**Liberal democracy and sustained economic growth:** *Does it take a country longer to become a fully liberal democracy than achieve sustained economic growth?*

We discuss this question and find that it takes longer to achieve liberal democracy than it does for economic growth. Democracy is the highest form of development – in our view of Africa.

We discuss whether there is currently a developmental state in Africa.

We discuss too the East Asian Economies, and their rapid growth and development - focusing on the role of the state and that of the private sector. We have also looked at the role of the state in developed countries after the 2007-9 global financial crisis.

[PART V: ADDRESSING THE CAUSE AND EFFECT: Your role as partners and people of good will](#) .....

The development partners need to re-examine their relationship with Africa. Aid should no longer be the main vehicle of development support but encouragement of trade and FDI. Key support that the West can give Africa include: removal of trade barriers facing exports from developing Africa; help stop capital flight out of Africa; and support efforts to end wars.

[PART VI: CHANGE IS POSSIBLE – A new partnership is necessary](#)

Change is possible in at least three decades in some countries – not all – with good leaders, institutions, good neighbourliness, trade, and a healthy and productive populations. It starts with these countries identifying their predicament and being willing to address the challenges. Development partners will only support countries that need and deserve the support.