# The Requirements for the African Continent's Development: "Linking Peace, Governance, Economic Growth and Global Interdependence" Dr. Jean de la Croix Nkurayija Berlin 17th, July, 2011

#### I. Introduction

Key concepts: Peace and security, conflict management, governance, democratization economic transformation, globalization, interdependence.

The African economy remains underdeveloped despite decades of conceptualising, formulating and implementing various types of economic policies and programmes, the African region contains a growing share of the world's absolute poor with little power to influence the allocation of resources. The development challenges of Africa are deeper than low income, falling trade shares, low savings, and slow growth. In addition, they include high inequality, uneven access to resources, social exclusion, insecurity, environmental degradation, HIV/AIDS pandemic, among others.

In order to reverse underdevelopment in Africa, several initiatives have been attempted in the past. These include: the 1980 Lagos Action Plan; the 1986-1990 Priority Programme of Economic Redressing of Africa (PPREA) adopted by the OAU in 1985 and complementary UN Programme for the Economic Redressing and Development of Africa; ECA Alternative Structural Adjustment Programme for Africa: and the African Scope of Reference for SAPS for Socio-Economic Redressing and Transformation. These efforts, to a large extent, have not been implemented. The New Partnership for African Development (NEPAD) seems the latest African development initiative. This initiative is a merger of the Millennium Action Plan for African Recovery Programme (MAP), the Omega Plan and the New Compact with Africa. It represents an additional step towards anchoring development in the collective vision and commitment of African leaders. This paper aims to show how the combination of peace, good governance would lead to economic transformation through which economic growth should be attained and then African countries exploit more and more benefits from interdependence in terms of globalization. The long-term objective is to place African countries on a path to sustainable development and hence arrest the marginalization of Africa in the globalization process and these states would succeed 21st century challenges by achieving their development.

# 1.1. Background of the growing problem of the paper

There is no region of this world that not experienced wars, but while many parts of the world have moved towards greater political and economic stability and co-operation, Africa remains a cauldron of instability and economic deprivation.

The contemporary African poverty has various underpinnings, includes political, social and economic parameters. the conflicts are directly related to the circumstances surrounding the acquisition of independence, the multiethnic composition of the states, and the more often the generic label governance, the increased liberalization and expansion of international trade, which occurred in the aftermath of the Cold War, has exacerbated the level and intensity of the conflicts.

In Africa, the wind of change had exerted pressure for democratic governance. The process was, unfortunately in some cases, presided over by incumbent leaders who became democrats for convenience rather than conviction. All of the above evidenced the real roots of African underdevelopment. Over the past four decades, Africa has been the recipient of numerous development initiatives led by local and international actors alike. According to several development analysts, these initiatives have unfortunately led to many of the problems that Africa is experiencing today, such as the debt crisis, extreme poverty and political instability to name a few. The mainstream development discourse advocated by the major donors in the international community has focused on the need for economic growth in order to reach sustainable development, while there are different ideas and strategies on the concept of economic development for Africa.

# 1.2. Objective, themes and outcomes of the paper

The main objective of the paper is based on the needs or the requirement for the African continent's development. Firstly the paper broadens the requirement of African development, and it bases primarily on four themes for Africa in order to attain its development.

The first theme relies on how peace can foster development of the continent by establishing political stability within the continent, it focuses on peace as the core factor for development and economic growth and the second theme is governance in terms of strong leadership and state of development. In this context, the paper shows how peace combined with good governance and state of development would enable economic transformation and this as being an additional incentives for economic growth in Africa, the paper focuses on how economic transformation linked to peace and good governance would be a prerequisite for

the development due to the fact that peaceful climate stimulates economic transformation, good management of resources and assets, mobilization of revenue and investment and to advance people's welfare, all of these are factors of economic growth.

The third theme will try to explain how Africa needs economic growth for its development. However, economic growth and liberalization has been acclaimed the hope for prosperity for the world and the contemporary African development. This is evidenced by this era of globalization whereby the continent will mobilize its assets especially in terms of dynamic sectors of development, exploit the benefits from international trade, market place liberalization hereby the continent is required to fashion its policies to meet the wishes of international market, due to the fact that individual government is not capable of undertaking the market competition in globalized order.

Finally, the last but not the exhaustive one theme focuses on globalization, which in simple terms means a worldwide network of interdependence.

From this perspective, the continent needs peace, strong leadership and economic transformation to be ready to exploit the benefits from globalization by interdependence among countries, where good governance and democratization of service would encourage accountability, responsiveness to people's needs owing to the prioritizing of what they need more than others, easier plan for the future, this evidence its link to economic growth and lead to real continental development but requirements would be rigorous to new colonialism. Ended, the paper will suggest and recommend how the African continent would achieve success of its development by exploiting the aforementioned prerequisites. The combination of all of these four elements would lead to Africa's development and success in the 21<sup>st</sup> century.

#### 1. Peace and security for development

Development is not often regarded as a function of peace in both development theory and development discourse. In the context of postcolonial Africa, both internal security and external security should be crucial considerations in the pursuit of development alternatives. The reason for considering development and security is that part of Africa's development impasse can be attributed to internal political terror since the Cold War. While development theory and discourse from modernisation theory to global neo-liberalism have dominated 'development' strategies in Africa and produced Africa bereft of development, political terror

has systematically undermined both development and security. Political terror, as sponsored by foreign forces and signified by collateral damage not only produced extensive fear and destabilisation, it hit at the very core of development – human resources, political establishments and economic order. The end of the Cold War has not seen an end in political terror in Africa, but it has features that need to be considered for Africa's development alternatives. Some of the features are the reduction in Africa's foreign aid, disarmament, and the reinvention of the philosophical foundations of the state in Africa. This calls for a transition from a military state towards a developmental state with participation by citizens to curb internal conflict and face the external challenges of the new post-Cold War global system. Himmelstrand (1994) reminds us that development theory should take into account the specific context and history of African societies. Thus the suggestions that I list below are no panacea for every African country but rather as framework for dealing with development and security. So, development programmes need to pursue prudently in the context of peace as I will demonstrate on the point of economic reconstruction.

Maloka (2002) acknowledges the contributions of the Organisation of African Unity, African Union, and New Economic Partnership for Africa's Development and other structures that have been trying to foster peace and development in Africa since independence. Even the G8 Gleneagles Communiqué (2005) on Africa does recognise, 'Peace is the first condition of successful development. We support Africa's efforts to build a peaceful and stable Africa. We will help Africa's fragile states to emerge successfully from crisis and conflict. We support African initiatives to prevent, mediate and resolve conflicts and consolidate peace, in the spirit of the UN Charter'. A crucial step towards rethinking development is to recognise that considerations the existence and experience of peace as one of the preconditions for development of African countries.

What these considerations add towards rethinking development is that peace is one of the preconditions for economic growth and economic development. Moreover, because peace does not imply the termination of the military, the operations of defence need to take into account their impact on sustainable development. Thus development becomes a function of peace and security, and peace and security need to operate within framework of development itself. I have tried to argue that there is a relationship between peace and development. Insecurity in the form of political terror is a stumbling block to economic growth and development. The Cold War in southern Africa is an example of how human capital, political establishment and economic order have been destroyed by US proxy wars, civil war and terrorism. Thus, rethinking development in Africa needs the incorporation of disarmament

and other peace promoting initiatives as preconditions of development too. Moreover the demands of the Cold War on Africa and potential consequences of the 9/11 should be taken into account too.

Foreign direct investment may come as direct acquisition of business interest in a foreign country, a loan, grant, or any other form of development assistance granted to poorer countries. Their basic characteristic however is that it allows for the donor countries or institutions to possess some decision making rights within the economic ( and at times) political framework of the receiving country. From this perspective the African countries would exploit the maximum but by making attention to conditionality from states donors.

### 2. Governance and leadership

In order for Africans to defend the programme, they must be part of the decision-making process. Good governance enhances democracy as well as efficiency in the economy. Within each African country, this is important so that African people should claim ownership and inclusive participation in globalization.

Each African country must invest heavily in human capital formation as part of economic governance. Growth in today's information-based global economy depends on a flexible, educated and healthy workforce. Investment in human capital promotes individual development and gives the ability to escape poverty. In the area of human capital formation, regional cooperation and the international community ought to provide more resources.

Modern economic growth theories point out that growth is a process of continuous technological innovation, industrial upgrading and diversification and improvements in the various types of infrastructure and institutional arrangements that constitute the context for business development and wealth creation, which can be summed up as economic structural transformation. The theories also underscore the fact that market mechanisms may not be sufficient and that the government has a potential role to play in helping firms overcome the various problems of information, coordination and externality which arise inevitably in the process of modern economic growth.

Recently, emerging economists demonstrates that the State in Africa has a potentially key role to play in economic diversification and structural transformation. Indeed, historical evidence shows that all countries that have been successfully transformed from agrarian economies to modern advanced economies had governments that played a proactive role in assisting individual firms in overcoming the coordination and externality problems in the process of their structural transformation. Certainly, a whole range of conditions and factors,

including knowledge and innovation, human capital, institutions and physical infrastructure, as well as fiscal, monetary, exchange-rate, capital-flow, trade and other policies are important for such policies to succeed.

Hence, the central role of the State does not depend on how much it is involved in the economic transformation process, but more importantly on how it is able to govern development with a decisive ideological orientation and effective institutions, and policies underpinned by adequate bureaucratic and organizational capacity and political will.

The reality in many African countries is that the State has not succeeded in achieving meaningful economic structural transformation. Indeed, it is well established that limited structural transformation has exposed many African countries to the inherent fluctuations of international commodity markets, leading to significant growth volatility. This vulnerability to external shocks is due to several interacting factors.

First, African development strategies have been ineffective in the reallocation of factors of production, from less productive to more productive sectors as a means of diversifying their economies away, from primary commodity sectors to high-value-added industry and services. Second, natural resource abundance in some African countries has often been associated with the distortion of incentives for economic diversification and transformation.

Third, economic transformation in Africa has, to varying degrees been adversely affected by the continent's unfavourable environment and geography, which constitute significant handicaps to the attainment of higher labour productivity, constrain access to large markets, and limit economies of scale, raise production costs and lead to low production efficiency. Fourth, Africa lags behind the rest of the world in terms of the quality of its human capital, infrastructure, economic and political institutions and business environment. This weakness is associated with ineffective resource allocation systems and weak incentives for innovative long-term investment and private-sector development. It also partly accounts for the continent's inadequate provision of public goods and social expenditure.

Finally, many African countries suffer from large deficits in terms of States' capacity to enhance the human capacity of their citizens.

As a result, there has been limited public participation and ownership of development programmes in many African countries. At the same time, the weakened capacity of the State to promote the equitable and efficient allocation of resources has hindered the provision of adequate incentives for economic transformation.

There are three major tasks that the State has to undertake as a means of achieving economic transformation in Africa: the planning of the development process, the formulation of appropriate development policies, and the implementation of development plans and policies. The development process has to be planned for several reasons. The changes required are not marginal, and hence the decision-making involved cannot be optimally done by free-market forces, which often suffer from information and coordination gaps. The interdependence of all elements of the development process can be dealt with effectively in the context of comprehensive development frameworks rather than narrow partial models. Most developing-country economies are characterized by pervasive market failures. In addition, the information and coordination externalities involved in the development process can be most effectively taken account of in the context of planning.

The responsibility for articulating appropriate development strategies and policies clearly belongs to the State, but it is best carried out in the context of constant dialogue with key social and economic agents on the production, supply and consumption sides. The maintenance of macroeconomic stability is a basic requirement for promoting steady and sustained growth rates with low volatility.

However, economic transformation requires the use of appropriate policies, incentives and sanctions to ensure that both public and private resources move in the direction where they will be optimally used based on the foregoing, achieving economic transformation for sustained, clean and shared growth in Africa may require a developmental State to guide the process.

The African State would act ", credibly, legitimately" in promoting "industrialization, economic growth and expansion of human capabilities..." and is "able to construct and deploy the institutional architecture within the State and mobilize society towards the realization of its developmentalist project". In other words, this is "a State that puts economic development as the top priority of government policy, and is able to design effective instruments to promote such a goal."

These instruments would include the "forging of new formal institutions, the weaving of formal and informal networks of collaboration amongst citizens and officials and the utilization of new opportunities for trade and profitable production". Relying broadly on the capability-based development theory, an effective developmental State in Africa can be conceived as one which has the political will and the capacity to articulate and implement capacity-expanding, transformative and distributive economic and social development policies derived from democratically-organized public deliberations and not manipulated by

technocratic and socio-political elites. Among the key features of such a developmental State are the following:

- (a) A government that has the political will and legitimate mandate to perform specific required functions in the context of a nationally-owned development vision;
- (b) A good constitution, the rule of law, an independent judiciary, representative political institutions, an effective central bank and other regulatory institutions, good laws and property rights enforcement;
- (c) A competent, professional and neutral bureaucracy who ensures the effective and efficient implementation of its strategies and policies in accordance with established national development goals;
- (d) An interactive and institutionalized process in the context of which the political leadership and bureaucracy actively engage other societal actors (private sector, civil society, etc.) in development policy design, implementation, monitoring and evaluation;
- (e) A comprehensive development framework in the context of which national development goals are established and the complementarities among social and economic policies are explicitly embedded; and
- (f) A governance system which ensures that the focus, context, contents and implementation modalities of the national development programme are fully deliberated upon and agreed by the full range of stakeholders and societal actors.

The developmental State approach could help address development challenges by focusing on rebuilding and strengthening State capacity, with a view to raising its ability to expand human capabilities and promote an equitable and efficient allocation of resources, which in turn, should generate appropriate incentives for economic diversification and transformation. The approach should also prioritize the building and strengthening of economic and sociopolitical institutions and their effective coordination to produce the desired socio-economic development outcomes. In addition, it should provide for the articulation and implementation of macroeconomic, industrial and sectoral policies that are specifically targeted in promoting economic transformation and overcoming the potential negative impacts of endowment, environment and geography on the continent's growth pattern.

African countries need to build transformative, good governance and democratic institutions. A crucial component of such institutions is strong leadership.

Leadership in the developmental State aims at defining an agenda that meets the needs of the people and puts national interests above personal interests. In this vein, leaders should own a development strategy, expressed in a vision to overcome underdevelopment.

Towards this end, the leadership needs to be committed to Africa's industrialization and the creation of more productive and high-income opportunities in the formal sector, but must also be inclusive. Central to inclusiveness is that the State needs to ensure that people have opportunities to acquire assets and have access to sustainable employment. For instance, land reform will be critical, especially in Southern Africa. And in other sub regions where subsistence agriculture is dominant, the State would need to promote cooperatives and to support small farmers with access to skills training, finance, markets, technology, business knowledge and so on. Agrarian reform may be required for some African countries to become democratic developmental States.

It is important to promote leadership capacity at various levels. In this context, *The State must build a competent and professional bureaucracy and ensure that recruitment and promotion in the bureaucracy is based on merit rather than political patronage, ethnic or religious considerations.* 

Good governance in Africa requires that the articulation of national development goals should draw on democratic public deliberations. The participatory and consultative dimensions of the African State should enable people's organizations, including social movements and civil society, to take part in the development and governance processes.

Indeed, local and national deliberative mechanisms and processes need to be institutionalized. African leaders should enhance ownership of national development programmes by citizens. This in turn should increase the legitimacy of economic policies and transparency in governance. The African Peer Review Mechanism currently being embraced voluntarily by a number of African countries has the potential to make an enormous contribution towards building such a democratic developmental State, by making systematic the contribution of other actors, especially the private sector and civil society.

# 3. Economic growth

Among the many ways through which the independent African states have remained glued to international interference is the element of trade. Trade has been one of the key elements linking the African region to the global economy since the end of colonial rule. With an economy already geared to produce commodities to supply the industrial interest of developed countries, the managers of the post colonial state found themselves entrenched in deep seated traditions of trade from which they could hardly extricate themselves completely. (Nanji and Munchiri, 2009. p2).

Despite the increased trade orientation of Africa, its share of world trade has declined because its exports have grown much more slowly than world exports. According to the UNCTAD Handbook of Statistics (2007), the share of Africa exports in world exports was 1.6% in 2004. The share of Africa imports in world imports was 1.4% in 2004 (Alice Sindzingre, 2008. p9). Therefore the region suffers from an acute dependence in export trade in order to stabilize its balance of payments. Characterized by the situation where almost all the states there in produce similar kind of products (primary products), not only are they compelled to battle on the international scene for the same market partners, but the possibility for a healthy regional trade is slim (Nanji and Munchiri, 2009).

Export led growth is a development strategy that has been employed with remarkable success in some parts of the world, especially Asia thus creating the impression that it could have been a life line for most developing countries in search for a niche on the global economic scene (Theodore Cohn, 2008. p339). However, its application in other parts of the world, the African continent may lead to real economic growth (Dani Rodrik, 2008). Export led growth is a policy open to excessive volatility. Another policy would be the Import Substitution Industrialization (ISI) which aimed at replacing industrial imports with domestically manufactured goods (Cohn, p214). Most countries in Africa adopted this policy with the goal of reducing the dependency on western countries for manufactured goods; they also wanted to increase a foot hold on the world market as they desired to increase their own production capacities. However, the adoption of ISI policies has not been completely successful. Infant industries needed a lot of protection to be able to compete in the world market. It seems that democratic values must be struggled for and sustained in the 21st century. Each country, based on its own experience, must determine the form of democracy it wants. But good governance by strong leadership must be adopted. Regardless of the type of democracy, certain requirements are essential. African governments must respect economic and political rights if African development is to succeed. It should be noted that the Asian Tigers experienced significant growth and development under dictatorial regimes. Therefore, while democracy is desirable, it is not a sine qua non for economic emancipation. However, economic governance must go hand in hand with good governance (not democracy); issues of transparency, accountability, legal framework for conducting businesses etc are crucial elements if African countries are ready to realize its development and succeed their 21st century challenges.

Economic liberalization is an element of transforming African economy in order to reach its economic growth. How privatisation, openness and competition are pursued have implications on the economies transformation and growth of Africa. The philosophy behind this is that the private sector is the engine of growth. However, in most African countries, the private sector must first be developed. The euphoria of the market must be examined in the context of its ability to provide what it takes to move an economy forward in a macro sense.

Therefore, the essence is to open up the economy for interested economic agents, with government inclusive to compete. The objective will be to avoid both market and government failures.

## 3.1. Economic transformation and sustained economic growth

An economic structure reflects the relative contribution of the different sectors of the economy in terms of production and factor use. Thus, structural transformation can be looked at as the change in the sectoral composition of output, and that of the sectoral pattern of the employment of labour, as the economy develops (that is, a real per capita GDP increases).

African countries sustainably must increase in real per capita incomes over a fairly long period. Consider the case of Malaysia, a country that has frequently been compared to a number of African countries in terms of initial conditions, growth performance and development achievements with the mainstay of the economy was the primary sector: natural resources (rubber and tin) and agriculture. Society was characterized by sharp cleavages in economic position, religion and languages (not dissimilar from the reality of many African countries).

Yet, the "Malaysian growth story can be viewed as a narrative of the structural transformation of a predominant agricultural economy to a more industrialized economy, and then to attempts to transform it further in the latter part of the 1990s towards a knowledge-based economy (Yusof and Bhattasali, 2008: 30). The story demonstrates among other things, the vital role that a state can play in transforming a developing economy into a prosperous high middle-income one in a period of about three decades or less.

The main lesson to be drawn from the Malaysian and other relevant development experiences is that successful economic transformation was achieved by deliberate state involvement, based as it was on a disciplined planning process aimed at transforming the structure of the economy. The evidence shows that the involvement of the state in this process included not

only formulation of relevant development policies, but also creation of the required institutions and provision of the required investment (Yusof and Bhattasali, 2008).

# 3.2. The role of the state in promoting economic transformation in Africa

The experiences of successful countries in Asia, Latin America, and elsewhere present two important aspects of effective economic transformation processes.

The first is that there are discernible common characteristics in the patterns of structural change and economic development processes in general, industrialization and diversification in particular. The second and overarching feature is that the state plays a central role in guiding and promoting successful economic transformation.

Developing infrastructure, attracting foreign resources, and increasing productivity are important elements of successful transformation, as are strong and functional institutions. However, many African countries suffer severe infrastructure deficiencies, especially energy infrastructure.

The central role of the state in economic transformation may require a "developmental state" approach. Evidence provided by numerous studies indicates that Japan, Korea, Malaysia and Singapore achieved deep structural economic transformation and sustained growth over three decades largely through a disciplined planning approach.

Most African countries failed to achieve sustained economic growth, and as such, did not achieve significant structural transformation of their economies, and the challenge of meaningful development persists.

Governments have to be better at identifying good criteria to determine the industries appropriate to their endowment structure and level of development. The government's policy to facilitate industrial upgrading and diversification must be anchored on industries with latent competitive advantage so that, once the new industries are established, they can quickly become competitive domestically and internationally.

For African states to effectively transform their economies, they need to plan the process; formulating relevant economic and social development strategies and policies; and implement the plans and policies.

# 4. Global Interdependence

Globalization is a process of integrating economic decision making such as the consumption, investment, and saving process all across the world. It is a global market in which all nations

are required to participate. Therefore, for their development and confronting the 21<sup>st</sup> century, challenges must be ready and prepared for globalization, the interdependence of states.

Phillips (1999, p.12) notes that "countries which benefit most from globalization are those which have met the basic needs of their people and in a sustained manner too".

African economies must be structurally transformed. Otherwise, globalization represents another approach of ensuring wider markets for industrialized countries. Perhaps, this explains the acceptance of NEPAD by developed countries and the Bretton Woods Institutions may enable Africa's countries to exploit these benefits from globalization.

The private sector in developed countries is to be encouraged to invest in Africa under countries initiatives and their umbrella called NEPAD arrangement. In order to attract more investment in Africa, states would reduce the following factors: inconsistent macro-economic policies, policy reversals, insecurity, uncertainty etc. Governments in Africa must be ready to offer some guarantees if foreign investment is to be attracted, there is evidence that good economic governance is a necessary condition for attracting foreign investment.

Globalization is a process of advancement and increase in interaction among the world's countries and peoples facilitated by progressive technological changes in locomotion, communication, political and military power, knowledge and skills, as well as interfacing of cultural and value systems and practices. Globalization is not a value-free, innocent, self determining process. It is an international socio-politico-economic and cultural permeation process facilitated by policies of governments, private corporations, international agencies and civil society organizations. It essentially seeks to enhance and deploy a country's (society's or organizations) economic, political, technological, ideological and military power and influence for competitive domination in the world.

Some countries are taking it as a big problem, and therefore missing the opportunities it is offering, while others have grabbed it as a movement offering development potential and used it to advance their growth and development and their self-interest, whether it be national or personal. While some are taking it as a dangerous process of exploitation where rich countries and big international corporations are getting bigger and richer at the expense of the poor ones and a sort of fulfilment of "man to man is a wolf", others are seeing it as the final pin in the process of positive socio-politico-economic, mutually beneficial, global integration. Whichever way it is taken, the phenomenon of globalization has attracted enough world attention to warrant intensive discussion at the world's governing body (the United Nations General Assembly) which, in its resolution 55/102, recognized "globalization and its impact on the full enjoyment of all human rights" and expressed the "need to achieve international

cooperation in promoting and encouraging respect for human rights and fundamental freedoms for all without distinction" (referring to the Universal Declaration of Human Rights, civil and political rights, economic, social and cultural rights, as well as the right to development).

It is important to note, optimistically, that globalization offers great opportunities. However, it is probably more important to be clear about the negative aspects of globalization and the fact that its benefits are very unevenly shared and its costs are unevenly distributed among, across and within countries. This is very true especially when seen in the light of African countries. (UNDP Human Development Report, 1999).

For African counties to succeed the globalization era, should adopt the following mechanisms: Response to globalization, African States need to:

- -Be open to uncertainty, ambiguity and change and develop and strengthen public administration systems that are change-oriented.
- Adhere to openness and accountability, especially to the African people, so as to be seen to be democratic and sensitive to the problems of the local people.
- Adopt a proactive approach to globalization so that the challenges it poses and the benefits it offers can be foreseen and planned for. African States should use globalization to determine the direction of their people rather than letting globalization use their countries to determine the direction of the world.
- Address human capacity needs from a comprehensive angle (skills, knowledge, attitude, networks, and information technology). In any case, globalization or no globalization, a country cannot be more developed than the capacity of its human resources.
- Address institutional capacity needs (i.e., create and/or strengthen institutions that are change-oriented, outward-looking and able to interact meaningfully with global actors).

These institutions must be in all spheres of politics and public administration and they must be tailored to have ability to network with the private sector, civil society and the international community.

- Adopt flexible approaches and methods of administration as opposed to inflexible rule application and inward-looking bureaucracies). However, the adoption of the "New Public Management approaches (as they are advocated in developed countries) should always take into consideration the context of African countries, especially their needs and capacities. For example, the rolling back of the frontiers of the State, which included privatization,

retrenchment and reduction of public expenditure in social sectors such as education and health, was probably not introduced in appropriate doses in some African countries.

- Strive to increase and strengthen the voice of African governments in international bodies (such as the United Nations) to offset the weakness created by the pressure of global actors at the local level). In order to offset this, the African States should have their voice strengthened in these world bodies so that the decisions taken have the input and blessing of the African leaders. In many respects, this is not the case today.
- Adopt and practice participative governance involving all actors (central government, local governments, the private sector and civil society, both national and international, as well as world bodies).
- Develop social capital, especially by investing in the education and health sectors. In other words, a strategic attitude to be taken by African countries in light of the phenomenon of globalization should not be to seek apportioning blame between developed and developing countries.

# **Concluding remarks**

The African economy remains underdeveloped despite decades of conceptualising, formulating and implementing various types of economic policies and programmes.

The African region contains a growing share of the world's absolute poor with little power to influence the allocation of resources. Then real income averaged making Africa the poorest region in the world.

Most countries in Africa remain largely primary exporters, aid dependent and deeply indebted. In 1997, foreign debt burden was more than 80 per cent of GDP in net present value terms. African is the only major region where investment and savings per capita declined, the savings rate of the typical African country has been the lowest in the world, the development challenges of Africa are deeper than low income, falling trade shares, low savings, and slow growth. In addition, they include high inequality, uneven access to resources, social exclusion, insecurity, environmental degradation, HIV/AIDS pandemic, among others.

In order to reverse underdevelopment in Africa, several initiatives have been attempted in the past. The globalization era has negative aspects which may impinge African countries.

The continent in the 21<sup>st</sup> century is still being underdeveloped if strategies are not being taken; the Africa would be characterized by excessive economic and development fragility.

The African countries are nowadays characterized by among others: the predominance of subsistence and commercial activities, a narrow, disarticulate production base with ill-adapted technology; a neglected informal sector; a degraded environment, uneven development due to the urban bias of public policies; fragmentation of the economy, openness and excessive external dependence especially for factor inputs; and weak institutional capabilities.

All over the Africa, insecurity, political instability and rivality are hindering the continental development, peace still being the measure concerns, and post conflict peace building needs to adopt strong leadership in terms of good governance. However, most African countries suffer of bad governance, fragile leadership and bad governance overwhelm in Africa. Economic growth is deemed very slow in many African countries due to the inappropriate economic transformation, the lack of adopting state of development, all of the aforementionned features do not enable Africa to succeed the 21<sup>st</sup> century challenges.

The continent is confronting such as the negative aspects of globalization era, environment degradation, food insecurity, pandemic and epidemics, regional integration effects and others futures of competitiveness of market place with middle, developed and advanced countries.

Arguably, the paper assesses the four primarily opportunities that Africa could adopt and exploit in order to succeed those challenges, those are namely: peace with the security and political stability would be acquired, this peaceful state would enable countries to adopt good governance with strong leadership, fragile and bad governance would be eradicated. Governance combined with peace lead to economic transformation, the core incentives of economic growth. Really with this, the continent should exploit the maximum benefit from globalization in terms of positive interdependence. The four integrative elements should lead and vindicate African development if adopted by all stakeholders.

## **Consulted materials**

"Globalization and the State: an Overview", Report of the 15th Meeting of Experts on the United Nations Programme in Public Administration and Finance, April 2000.

Acemoglu, Daron, Simeon Johnson and James A. Robinson (2000) "The Colonial Origins of Africa: Perspectives on Peace and Development. Edited by Emmanuel Hansen.

Africa: Towards a collaborative security regime. Edited by Shannon Field. Johannesburg: Institute for Global Dialogue.

and Society. London: Routledge.

Cawthra, Gavin, 2004. "A Conceptual Framework for Regional Security", in *Peace in* Chingono, Mark, 1996. "Introduction", in *The State, Violence and Development: The* Cock, Jacklyn, 1998. Cape Town: David Phillip.

Comparative Development: An Empirical Investigation" National Bureau of Economic Research,

Cotzee, Jan K. and Johann Graff, 1996. Reconstruction, Development and People.

Development Presented to the Parliament of the United Kingdom by Command of her Majesty, December 2000.

development: meeting new challenges. Edited by Junne, Gerd and Verkoren,

Distinguished Lecture, University of Calabar, CATS Publishers.

Ekpo, Akpan H. (1992a) "Economic Development Under Structural Adjustment: Evidence from

Ekpo, Akpan H. (1992b) "Unemployment and Inflation During Structural Adjustment: The Ekpo, Akpan H. (2001) Managing The Nigerian Economy in the 21st Century, IPPA El badawi, Ibrahim and A Gelb (2002) "Financing Africa's Development: Towards a

**Business** 

Eliminating World Poverty: Making Globalization Work for the Poor, White Paper on International

G8 Gleneagles Communique, 2005. Scotland: G8, www.g8.gov.uk, 18 July.

Graduate Institute of International Studies, 2000. "Crime Conflict, Corruption: Global Himmelstrand, Ulf (ed), 1994. "In Search of New Paradigms', in *African Perspectives* Holton, Robert. J, 1992. "Political Economy: Bringing Power Back In", in *Economy* Illicit Small Arms Transfers", in *Small Arms Survey 2001: Profiling the Problem*. Johannesburg: International Thompson Publishing.

Khamphuis, Berine, 2005. "Economic Policy for Building Peace", in *Postconflict*Kofi Annan (1997).addressing UNDP conference on governance for sustainable development. New York.

London: Zed Books.

Nigeria Economic Society, Ibadan.

Nigerian Economic Society, Ibadan, pp. 9-14.

Nigerian Experience "Eastern African Economic Review, Vol.8, No. 2. pp. 102-113.

Noam Chomsky, "Control of Our Lives", lecture at Albuquerque, New Mexico, February 2000.

Obadan, M. K. I (1998) The State, Leadership, Governance and Economic Development,

on Development. London: James Currey.

Oxford: Oxford University Press.

Phillip, Dotun (1999) "Not a Chance" in Globalization And Nigeria's Economic Development,

Plan" paper presented as the AFRC Policy Seminar, Dar-Es-Salaam, Tanzania, February.

*Political Economy of War in Mozambique*, 1975 – 1992. Aldershot: Avebury.

Riots: The Politics of Global Adjustment. Cambridge, Massachusetts: Blackwell.

Seddon, John, and David Walton (1994). Global Adjustment, Free Markets and Food

selected West African Countries", Journal of Social Development in Africa, 7, 1.

Sen, Amartya, 1999. Development as Freedom. New York: Alfred A. Knopf.

Tandon, Yash, 1987. "Africa within the Context of Global Superpower Struggle".

UNDP Human Development Report 1999

Washington D.C

Willemijn. Boulder, Colorado: Lynne Rienner Publishers.

Working paper No. 7771. Cambridge, Mass.

World Bank (2002) Building Institutions for Markets World Development Report 2002

World Bank Annual Report 2000. Economic Commission for Africa, *Transforming Africa's Economie*.