

# Unlocking Growth in Sub-Saharan Africa (SSA) with Development Inspiration from the South

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**Abstract.** The panacea for socio-economic development in Sub-Saharan Africa (SSA) is enshrined in the development model of the South. Developing nations have the responsibility to opt for their specific development interests. Development, as dictated by the west over the years through International Financial Institutions has not delivered socio-economic progress in SSA. Current development politics in SSA demands fresh thinking and the consideration of development inspiration from the South, notably the development experience of China, Brazil and others. Using the theory of the developmental state, I will argue that given the current record of development thinking from the North, imposed on SSA over the years, development philosophy from the South is best suited to unleash socio-economic progress in SSA, through technological transfers, but also because the southern approach is context specific. My remarks will elaborate on the theme of south-south development. SSA is endowed with abundant natural resources. What is needed to make development happen is technology, an educated workforce, capital and a strong state bureaucracy that sets the development vision and oversees the development agenda.

**Key Words:** development, Sub-Saharan Africa, development thinking from the north, developed nations, developing countries, international financial institutions, nation state.

The solution for the development lapses in Sub-Saharan Africa (SSA) does not lay in blaming the West for the current socio-economic dilemma and global self marginalization of SA in the global economy. Rather, for SSA to shape its own future development, the region has to rethink the development models inherited after colonization and imposed by the North. Shafaeddin (2008, 1) postulates that we have been witnessing two contradictory developments in the world economy and international policy during the recent decades. On one hand, the need for sophisticated trade and industrial policies has increased; on the other hand, economic philosophy has changed against government intervention in the economy.

The development ideology forced on SSA over the years is enshrined in the neoliberal development thinking of the North, articulated by and through the IMF, the World Bank and the WTO. The Northern brand of development as dictated over the years advocates non-state intervention in development politics, coupled with good governance, competition driven by free markets, private property, international integration through trade liberalization and the free mobility of capital as institutional drivers of development. Nevertheless, many developed nations such as the USA, UK, France, Finland, Germany, Japan, and Korea did not use liberal policies towards foreign investment before they became highly developed (Chang 2003, 1). The Neoliberal model has encouraged increasing financial savings in most of SSA, economic stability through low inflation as well as the improvement of the productivity of inputs such as labor. This has not yielded the needed development in most of SSA. Development has either stalled or worsened.

## I. PROBLEM STATEMENT

It is currently alleged that a handful of SSA countries have registered measured economic growth. However, this is not translating into the desired socio-economic development. People's lives and living conditions have not improved. A critical scrutiny of the Northern-dictated development model unearths the fact that, this model of development imposed privatization schemes that have been counterproductive and a mitigated economic failure in most of SSA. Financial liberalization has generally reduced the practice of saving on the continent; compulsory trade liberalization has resulted in deindustrialization and impeded job creation. Empirically, it is obvious that the development formula of the North imposed on the South, a category to which SSA belongs has birthed rising poverty, mounting inequality and low growth.

The minority argument for pro-poor growth that argues for more aid to drive development in SSA, less government involvement in development issues, capital controls, the so called trade preferences for poor countries, hinges on the flawed assumption that the foregoing measures are vital to eliminate poverty, reduce inequality and enhance growth. This flawed Northern development philosophy, imposed on SSA and most of the global South as "a development model," heralds the need for SSA to explore a development path that will deliver the desired socio-economic development, thus the need to revisit the Southern model of development.

The current development reality and record of SSA therefore entails and necessitates a re-examination of the actual development state of affairs as well as the northern development model forced on SSA nations by the IMF and the World Bank through structural programs. SSA doesn't have a development model of its own however; SSA has much in common with a number of emerging economies such as China, Brazil, India, and the Tiger Economies<sup>1</sup>. SSA certainly has pertinent development lessons to draw from more advanced nations in the South, to improve development and the socio-economic situation in SSA. The crisis of social development is visibly so pervasive in SSA that, it is often characterized by critics as a development wasteland, associated with poverty<sup>2</sup>.

## II. MAKING THE CASE FOR DEVELOPMENT INSPIRATION FROM THE SOUTH

Socio-economic development can best be catalyzed in SSA with development inspiration from the South. The development agenda dictated by the West, and imposed on Africa over the years has failed to take into consideration the specific contexts of various African countries. The West has been practicing "a one-size-fits-all" approach to development. This has stalled development across the African continent. Geography

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1] For the economic success story of the tiger economies, see Young 2013. Hong Kong, Taiwan, South Korea, and Singapore are depicted as tiger economies because they registered rapid economic growth that improved the living conditions of their citizens.

2] For development in African countries, see Adesina 2007.

and resources matter in development thinking. It is more difficult for development to take root, and blossom in landlocked African countries such as Chad and the Central African Republic, as opposed to coastal countries such as Cameroon, Equatorial Guinea and Nigeria. Thus, geography and other country-specific realities must be taken into consideration in development planning. Imposing a single formula on every African country, has produced mixed results and unintended consequences. Most importantly, development has to be nurtured from within African societies, as has been the case in China and other emerging economies, not parachuted from abroad. The development model imposed on Africa by the West, that have breed corruption and stalled development over the years are precooked in the West and designed to stifle development. African states need to frame their own development strategies that reflect the African context, to drive development. African states need to fashion an alternative development agenda that will nurture development across Africa (Collier 2007, 5).

The economic advancement of China, Brazil, Singapore and other nations of the South has been driven by the development thinking of the South. This brand of development does not concur with the widely propagated neoliberal version of development, imposed on developing nations.

The specific case of China and of similar emerging economies has made it vividly clear that socio-economic development as witnessed in most emerging economies is driven by diversified industrialization and the creation of an export oriented economy. Chinese products are exported to every continent on the globe. Institutional measures that ensure stable growth, less attention to inflation, the promotion of strategic investments financed by state development banks, food security assurances, checking the growth of the financial sector, the acquisition and development of strategic technology, backed by a strong nation state, together constitute the driver of development in most emerging economies. SSA can draw development inspiration from the aforementioned development experiments. The foregoing factors will be explored in some detail in the corpus of this paper.

It is fundamental to underscore the fact that, while the development experiments in China and elsewhere have delivered growth and improved welfare by creating an emerging middle class by lifting billions out of poverty especially in China, the protection of the natural environment has not received the deserved attention. Critics equally debunk the development view from the South for breeding corruption and authoritarianism, underlining the failure of some state directed growth strategies and low levels of employment.

Mapping out a bright development future for SSA involves revisiting the trade liberalization dictum as a vital first step. The claim by the West that developing countries that are objecting to free agreements and liberal investment agreements are making “a futile attempt to grow,” questioning how such nations think they can succeed in economic development without the “tried and tested” means of trade and free investment is a fundamentally misguided view (Chang 2003, 1).

In collaboration with Western based institutions such as the IMF, the World Bank and the WTO, the developed world has consistently pushed for, and encouraged trade liberalization in SSA in various contexts. The consistent doctrine for privatization and market liberalization, embedded in various Structural Adjustment arrangements, has managed to open up the economies of SSA for superior products from the developed world while, shutting out and exceedingly regulating and limiting the access of product from SSA into Western markets, through stringent market conditionality. To put it succinctly, the doctrine of trade liberalization in SSA has not strengthened, but has rather muffled trade flows from SSA to the North and generated unintended and undesired consequences in terms of development. There is need for SSA economies to strive to reverse this trend in order to boost the trade sector.

An analysis of the development history of developed nations such as the United Kingdom, the USA, France, Finland, Germany, Japan, Korea and Taiwan reveals that they did not use liberal policies towards foreign investment, before they became highly developed (Chang 2003, 1).

Trade liberalization as imposed on SSA by the West, has undercut and impeded capitalism from flourishing in SSA over the years. Although capitalism clearly has a down side in terms of wealth distribution, it remains the most efficient method for creating wealth. SSA has to understandably aspire for the gains of capitalism, to enable development to see the light of day in the region. Debunking the myth of free trade and trade liberalization through a historical analogy, Chang (2003, 1) makes the case for “an urgent need for thoroughly re-thinking some key conventional wisdom in the debate on trade policy and more broadly on globalization.”

In similitude with other emerging economies, SSA nations need to promote and shield infant industries that cannot compete with well established industries in the West. A close analysis of the history of capitalism “reveals that when developing themselves, today’s developed countries did not practice free trade. Rather they promoted their national industries through tariffs, subsidies and other measures” (Chang 2003, 1).

In a sense, the philosophy that drives the Washington Consensus trade strategy as dictated by international financial institutions through structural and structural adjustment programmes, that push for universal trade liberalization in SSA and the global South, a vision that equally governs the GATT and WTO rules, is not conducive to the industrialization and development of developing countries (Shafaeddin 2008, 1).

Protectionism was consistently used in the West to breed and nurture socio-economic and industrial development. SSA nations must aspire for up-to-date industrial technology and devise various strategies to protect infant and nascent strategic industries. Today’s developing countries need to be able to impose much higher rates of tariff than those used by the now developed countries in the past, if they are to provide the same degree of protection to their industries as the ones accorded to the now developed countries industries in the past (Chang 2003,13).

### III. SUGGESTED DEVELOPMENT ROADMAP

Foreign Direct Investment (FDI) represents a credible instrument to curb the spread of poverty and to propel growth and development in SSA. Underscoring the possible reasons why FDI is not flowing into SSA as it normally should, Moyo (2009) points out that Africa is well suited to receive huge amounts of FDI given that, its labor costs are relatively low, its investment opportunities are significantly high and as home to some of the poorest countries in the world, "Africa should be FDI's natural suitor." Moyo, however, admits that investors are faced with a significant number of hurdles. Impediments include dilapidated infrastructure, bad roads and telecommunications. Most importantly, the poor quality of infrastructure and energy crisis render the production of services and goods steep, especially when transport cost are factored in, thus the preference to produce in Asia (Moyo 2009, 100).

SSA can attract substantial amounts of FDI in the form of investment by improving its road network, infrastructure and energy security. Development is impossible without energy security. Whatever the mix in the years ahead, energy and its challenges will be defining for our future (Yergin 2012, 8).

The attraction of FDI in SSA, to improve investment and development must be matched with less dependence on other forms of foreign aid that tend to stifle development. Moyo (2009, 29) asserts that in the last four decades, a handful of developing nations have experienced phenomenal economic growth. Many Asian countries in this category, she argues, have grown by almost 10 percent GDP per year, surpassing the growth rates of leading industrialized economies, and significantly reducing poverty. Yet, aid-dependent SSA countries have simply failed to generate consistent economic growth and have even regressed.

It is difficult to curb the spread of poverty without adequate socio-economic improvement and growth. Consequently, SSA has to aggressively push for growth similar to China, Brazil and others to curb the spread of poverty. Growth itself can only be nurtured with trade. In the long-run "growth is the strongest single determinant of poverty rates. If our objective is to reduce and ultimately eliminate poverty, there is no instrument more reliable for achieving this than sustained long-term growth in per-capita GDP. Countries that have the best anti-poverty records, are those that have grown rapidly" (Dani 1998, 1).

Considering the view of the United Nations Development Program (UNDP) on the human development outcomes of the current global trading regime, reforms are needed to make global trade more inclusive and susceptible to benefit SSA nations. This will enable trade to become an instrument for enhancing human development and reducing poverty in SSA (Dani 1998, 4).

The consistent flow of foreign direct investments and the regulated flow of finances into SSA economies can serve as a driver of socio-economic development. Empirical evidence is indicative of massive capital flight from SSA to the west. The governments of SSA have to take measures to check massive South-North liquidity flows. Better still,

SSA nation need to push for the release and repatriation of huge amounts of capital held in private bank accounts in Switzerland and around Europe, to finance socio-economic development in SSA. The integration of SSA nations into the global economy will further enable regular and regulated capital flows to SSA countries. Capital flows to SSA countries

have clear and important benefits. The benefits are especially clear for foreign direct investment, which is not only more stable but also brings technological know-how and access to markets. Other external flows also have important positive micro-economic effects such as lowering the cost of capital for creditworthy firms. At the macro-economic level, foreign capital flows can complement domestic savings, leading to higher investment and growth. (Jones 1998, 1).

It is fundamental to underscore the fact that for socio-economic development to take root and blossom in SSA, these nations must be able to regulate capital flows into the SSA region and exercise control and manage over their currencies. The Communate France Afrique (CFA) that includes Cameroon, Chad, Ivory Coast, and other former French colonies in SSA all use the CFA francs as currency. These nations have no command over their currency. Their currency is managed and regulated by the French treasury, to suit the economic interest of France at the detriment of SSA nations. SSA nations need to aspire for control over their own currencies, to best manage the currency to favor socio-economic development in SSA.

To shield SSA nations from volatile capital flows, there is need to regulate interim currency flows into SSA economies:

Large surges of short-term potentially revisable capital flows to developing countries can also have very negative effects. These surges pose complex policy dilemmas for macro-economic management, as they can initially push key micro-economic variables such as exchange rates and prices of assets like property and shares, away from what could be considered their long-term equilibrium. These flows pose the risk of very sharp reversals. If these reversals lead to currency or financial crisis, they can result in very serious losses of output, investment and employment as well as increase in poverty. (Jones 1998, 1)

Revamping industrialization and the manufacturing capacity of SSA countries will serve as a catalyst for socio-economic development. The development recipe and the industrialization formula imposed on SSA by the IMF and the World Bank, as well as the trade practices of the WTO have proven sterile in advancing industrialization and triggering development in SSA. If development is the ultimate objective to integrate SSA into the global economy, what is relevant is a reassessment of the currently dominant economic philosophy and the international rules which govern trade and development. Such rules facilitate globalization but they are not particularly conducive to industrialization and development of developing countries (Shafaeddin 2008, 1).

Tangible socio-economic development is impossible in SSA without diversified industrialization. Although the neoliberal model clearly has its shortcomings, the global market outreach of China is clearly indicative of the power of the market and the

positives contribution of diversified industrialization to development. SSA nations need to “accelerate the shift of factors of production from agriculture to manufacturing and to services with a focus on manufactured goods” (Imbs and Wacziarg 2003, 2).

Diversifying industrialization in SSA to propel socio-economic development demands well deserved investments. The need for industrial policy has increased dramatically because the international market has become increasingly more concerted given that international trade, technology and global production are increasingly dominated by transnational corporations. Technological changes have accelerated and production has become very knowledge intensive (Shafaeddin 2008, 2). This heralds the need for more South-South cooperation in the area of technology transfers, from success cases such as China, India, Brazil and Singapore.

SSA is geographically diversified thus, industrial and trade practices need to be context specific enough to generate the desired socio-economic development. The one-size-fits all and top-down trade and industrial policies imposed on SSA over the years by international institutions has simply not delivered and heralds the urgent need to rethink and reshape the industrial and trade agenda in SSA, bearing in mind that a sound trade policy is a tool for development.

SSA is heavily self-marginalized in the global economy as a result of its industrialization, trade and development lapses. Technological change, international trade and industrial production are vital components of globalization that are dominated by Western actors, especially powerful multinational firms, with global tentacles that dominate the economic landscape of SSA. The prominence of Western transnational firms in the economic space of SSA nations limits the prospects of SSA nations from entering the global market to compete with firm rooted international firms thus, the need to develop the industrial sector in SSA cannot be over emphasized here. SSA economies must aspire to acquire relevant technology, market information and distribution channels by partnering with other countries of the South such as China and Brazil. It is paramount for SSA nations to network and collaborate in economic, technological and industrial matters with well advanced Chinese, Indian and Brazilian firms, to obtain cheaper sources of inputs, technology, intermediate products and distribution channels (Best 1990, 260).

By collaborating with Chinese, Indian, Brazilian and South African firms, SSA firms will benefit from shared research and development activities that are lacking in SSA, marketing, distribution, production facilities, input procurement as well as product development and design abroad especially in more advanced developing nations, without necessarily investing abroad for such activities (Best 1990, 259-62 and Porter 1990, 54).

For inclusive development to happen in SSA, appropriate steps have to be taken to reverse social policy failure and to accelerate social cohesion in the entire region. Social policy and cohesion have been a clear failure in SSA in the past several decades. Social deprivation and exclusion have been a major source or resentment, disgruntlement and instability that have been detrimental to development. The impact of wide-spread

deprivation and social development crisis are evident in the rising number of state implosions and genocidal conflict in some SSA nations (Adesina 2007, 40).

Unlocking development in SSA entails the nurturing of robust African states that will guide and sustain the development vision. Development cannot take root or flourish in the weakest, dysfunctional, and failed states of SSA. The current global financial crisis has revealed only too vividly that development matters, and the guarantee for economic prosperity cannot be left in the hands of markets alone. A strong state bureaucracy is vital to set the vision and ensure socio-economic development in SSA and the welfare of the people. The retreat of most SSA states from the social delivery of social services such as education, healthcare, infrastructure, energy, human security and social protection, has grossly undermined the relevance and legitimacy of most SSA states in the eyes of the most deprived and impoverished Sub-Saharan Africans. There is a nexus between the retrenchment and deficit of the capacity of most states in SSA for adequate social provision and the effective management of statehood. As a matter of fact, the relationship between a functional state and its citizens is a web of obligations and privileges because, the citizen's stake in a polity is affected by the extent to which the state is seen to be responsive to the needs of citizens (Adesina 2007, 40).

The improvement of social policy-based engagement in SSA states will improve the legitimacy and credibility of African states, and strengthen the states and the state-citizen contract and diminish the proportion in which the "coercive face" of the state is being perceived as the sole and prevailing area of interaction and communication with citizens. This will curb instances of disgruntled and excluded citizens trying to topple the state and the ensuing conflict. Development is only possible in a context of stability. Social policy refers to the collective public efforts at affecting and protecting the social well-being of the people within a given territory. Beyond immediate protection from social destitution, social policy might cover education, food security, health care provision, sanitation, and guarantee some measure of labor market protection (Adesina 2007, 1).

The current global crisis and others before it have clearly underlined the relevance of a strong state bureaucracy in strategically steering the development agenda in turbulent economic times, to sustain the trade and industrial sector in a bid to generate growth and recovery. The historical picture is clear: when they were trying to catch up with the frontier economies, the now developed countries used interventionist trade and industrial policies in order to promote their infant industries during the catch-up periods (Chang 2003, 14). The current global crisis further justifies the relevance of a strong state to strategize for recovery and growth. SSA nations need to craft strong states to generate and manage steady growth in turbulent economic times.

The fragility of most SSA states marked by the persistence of instability, war and the absence of a functioning state (failed states), that upholds the rule of law, order and justice constitutes a hurdle to socio-economic development. Investment can best take place in a context of accountability and a functional judiciary. Most of the states in SSA



are poor, weak and subordinate, with most of the people in them poorer, weaker, and more subordinate (Clapham 1996, 3).

The essence of strong states and leadership in SSA should therefore be geared towards ensuring the survival and prosperity of the state by pushing for development to improve the socio-economic plight of the people, rather than the survival of the rulers who tend to epitomize the state. In the majority of SSA nations, rulers seek to ensure their personal survival by seeking the survival and indeed strengthening their states. They best protect their own security enhancing and preserving the power of the states which they rule. The defense of statehood becomes a strategy for their personal survival (Clapham 1996, 5).

Empirical enquiry on the survival of the state in SSA, heralds the need to incorporate the discussion on good governance and government reform in the examination of the state. Governance reform in SSA has been characterized by state collapse in some cases. Therefore, the democratization process has produced very mixed results across SSA. For development to take root and blossom in SSA, SSA nations must make a conscious effort in “crafting inclusionary constitutions with sufficient checks and balances, strengthening formal institutions of governments, parliaments, party systems, electoral rules, courts, the rule of law, local authorities and promoting human rights” (Bangura 2000, 551).

Development will flourish or fail in SSA, depending on the way the rule of governance relates to policy interventions in shaping and/or constraining the choices of development actors and development outcomes. SSA nations will have to intensify efforts to uphold and defend human rights. This should include most inclusive human rights to more specific group rights by minorities, to the possibility of making claims against human rights violation in court and in the public sphere the fear of persecution from the public sphere as a cradle for the consolidation of democracy in SSA (Englund 2000, 579).

The state-development nexus warrants a brief examination of the theory and role of the developmental state within the framework of the development debate in SSA. The theory of the developmental state posits that the state has the responsibility and role to facilitate economic growth and development in the nation. In a sense, to nurture industrial and economic development there is need for vibrant pro-development policies put in place by the state bureaucracy. As hinted already, the current economic times have revealed only too vividly that markets alone cannot guarantee that national economies in SSA will thrive. Strong governments and bureaucracies are vital in their own right for economic survival.

According to Woo-Cuming<sup>3</sup> the theory of the developmental state provides the explanation for the East Asian industrialization. The development story of the Chinese and Tiger economies reveals that strategic politics drives the economy. In the framework of a developmental state, the nation states of SSA as a whole have to provide and set the vision for development by providing and allocating adequate resources, providing

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3] This argument is made by Woo-Cuming, in Bolesta 2007, 4.

leadership as well as the capacity to bring about positive economic transformation within a given lapse of time. The relevance of a national development plans in SSA; alongside a regional development vision in SSA cannot be over emphasized.

During the past several years, the economic vision implemented in most SSA states has largely been dictated by the IMF and other external actors, with various states having very little or no say in the development agenda. This is unlike the case in Asian countries. In the case of China and the Tiger economies the state sets and supervises the development vision. In SSA the state has the responsibility to device and kick start a vibrant development vision and infrastructure, which is state managed but market oriented. This vividly depicts the vision of the developmental state. The notion of a developmental state is succinctly defined by Johnson who observes that “it is shorthand for the seamless web of political, bureaucratic, and moneyed influences that structures economic life” (1984, 6).<sup>4</sup>

To put in place a functional national and regional development architecture, capable of meeting and addressing the regional and domestic socio-economic needs of various SSA states, the governments of SSA as a whole will have to put in place a common economic space and an economic system that does not only supports state investment, but equally allows for private investments and business ownership with state guidance, as is the case in China and elsewhere. Thus, the states should be instrumental in framing the economic vision, a kind of planned liberal economy as Bolesta<sup>5</sup> (2007, 108-109), expounds:

A developmental state is often conceptually positioned between liberal open economic model and the central-planned model. The theory of developmental state is not entirely capitalist or socialist although it is capitalist driven. The developmental state is based on combinations of positive advantages, private business and the positive role of government.

Economic development in SSA requires SSA states to be able to create and guarantee appropriate conditions for development. Successful conditions therefore require SSA nations to put in place the necessary tools to deal with the burden of infrastructure development to breed development and improve the lives of their peoples. The states of SSA must not be mere guardians of certain freedoms. They equally have the moral obligation to ensure the welfare of their people through socio-economic development. The developmental state theory has been debunked for endorsing state intervention in economic matters however; it is delivering successfully in China. If well replicated in SSA, it could improve the development story of SSA as a whole. Massive government intervention to keep various economies afloat during the ongoing economic meltdown, justifies state intervention in a nation’s economic development only too well.

SSA nations are not fully independent; political independence without the liberty to shape their own economic future is not complete independence. As a matter of fact, SSA

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4] Johnson 1984 focuses on the process of industrialization in Japan.

5] In his article Bolesta defends the merits of a development state.

states are firmly grafted to various European states and firmly gripped by the lingering shadow of the colonial syndrome. Development and financial politics in most of SSA is cooked in the metropolitan capitals of former colonial masters, who control and regulate their currencies. Development in SSA is only possible if SSA nations have command over their currency. Most SSA states are extensions of European states. The politics practiced in these countries, especially in the former colonies, are decided and dictated from the metropolitan capitals of former colonizing nations in Europe. This raises the fundamental question if such imported and imposed measures take into consideration the actual development needs and context of the nation. Breaking with the colonial umbilical cord would unleash and nurture context specific development, if the appropriate policy space is created. Putting in place an adequate policy space in Africa and, the break with the colonial connection are not enough in themselves to deliver context specific development. There is need for enhanced accountability, by the leadership of various African states, through a clear separation of powers between the Executive, Legislative and Judiciary branches of power. An independent, depoliticized and functioning judiciary will ensure accountability. Some baby steps are already being made in that direction by some African states such as Cameroon, where several government ministers with a rent-seeking attitude, are tired and jailed. Added to the foregoing, there is need to enforce and empower the civil society, various NGOs and religious authorities to serve as watchdogs for transparent and inclusive development, driven by accountability. Most importantly, African countries must create an attractive investment climate to lure foreign investment. Continent-wide economic growth won't accelerate unless African governments improve conditions for investment (Moyo 2009, 101).

The policy space of SSA and many developing nations has shrunk as a result of the dominant view of the orthodoxy, reflected in the conditionalities imposed by international financial institutions and bilateral donors, as well as in the GATT and WTO rules recently propagated by the "Washington Consensus." In a sense, universal trade liberalization and import substitution measures implemented by developing SSA nations are a clear fiasco that has taken a huge toll on development (Shafaeddin 2008, 2).

South-South technology transfers and partnerships between China and SSA, coupled with efforts at diversified industrialization represent good prospects for development in SSA. Technology is key for socio-economic development. SSA is clearly lagging behind in technology. The acquisition of appropriate technology through south-south technology transfer will lead to large-scale industrialization and diversified production. This will wane SSA nations off the production of primary products that are detrimental to development in SSA but advantageous to industrialization in the developed world.

SSA is self-marginalized in terms of developing or acquiring appropriate and up-to-date technology. There are prospects to swap vital resources with technology. Better still, technology could be acquired through south-south cooperation, notably from China, Brazil, India and others. Firms in SSA are bound to remain less competitive because they run high investment risks at the nascent stage of investments when new technologies

emerge, this render the existing process obsolete or simply putting the existing products out of the market, thus the need to cooperate with more advanced nations such as China for technology transfers. The Chinese have clearly indicated that their interest and presence in Africa is to do business (infrastructure for resources). Chinese interest is not to directly influence, mould or dominate African politics. Unlike Europe that directly shapes the development politics of Africa, by influencing political processes and, overtly backing some dictators who cling onto power, to protect Western interest. The Chinese approach Africa as partners, as another “developing country” to do business with, not to dictate to. However, the Africa-China partnership has to be well monitored, to avoid Chinese dominance. Critical voices are growing within Africa, raising awareness to monitor and consistently scrutinize the Sino-African partnership, to ensure that the China-Africa partnership remains equal and mutually beneficial.

New technologies are mostly possessed by rich and powerful transnational companies. The barriers set to bar newcomers and infant industries such as those in SSA from acquiring strategic technologies are huge. To get around the technological hurdle to development, SSA nations must aspire to acquire and create new technological partnerships that will ensure the transfer of the required technology to boost development in SSA. The development of technology has become increasingly sophisticated, more specialized and subject to constant change. That implies that the production of various goods and services has become increasingly knowledge-intensive, skills have become more specialized and firm-specific and the period of learning has become longer (Lundvall 2004).

As already hinted on, financial regulation is vital for socio-economic development and macro-economic stability in SSA. By the same token, a culture of transparency and accountability is an essential ingredient to nurture financial transparency. This has to be coupled with efforts at gender equality, and the empowerment of women. There is empirical evidence that empowering women economically can serve as a catalyst for socio-economic development and thus improve on the welfare of the family. If women undertake economic activities and earn as much as men, they will improve the living standards of the family and better provide for the needs of the family. The chauvinistic dogma in SSA that the woman’s place is in the home impedes development and the empowerment of women. Such gender and ideological barriers should be pulled down through gender equality and the economic empowerment of women all over SSA. This entails a revisit of current gender politics. Development politics should equally integrate climate issues as well as the politics of sustainable development.

Land grabbing is a significant threat to development and the sustainable management of land, water and other natural resources in SSA. China and other emerging economies undertook land reforms and land distribution to avoid food crisis. Food crisis undercuts socio-economic development efforts. Furthermore it is detrimental to a healthy workforce and can trigger instability and political upheaval, that can sap development efforts. The growing trend of land grabbing currently unfolding in SSA therefore represents a major setback to development efforts and threatens the sustainable management of finite

and forest resources because it leads to water, resource and forest grabbing. SSA holds 70 percent of arable land globally. Land grabbing refers to the unregulated large-scale purchase or leasing of farm lands over very long periods such as a hundred years. These lands are often depicted as “idle lands” that are underutilized and uncultivated in land-rich developing regions. The ongoing wide scale land grabbing in SSA by foreign governments, rich individuals and powerful transnational companies for mining, ethanol and food production for their local populations is perceived by foreign investors as “the next golden commodity”. Critics, such as Jacques Diouf, describe this trend as neocolonialism.<sup>6</sup>

Drawing from the development trend of China and India, food security is perceived as a driver of socio-economic development. Food security guarantees a healthy work force. China, India and the Gulf states feature prominently in the ongoing land grab game in SSA, to produce food for their local populations as a way of ensuring food security. This is counterproductive to food security and development efforts in SSA where thousands go to bed hungry every night. Low food prices are advantageous to workers because they then spend less on food and are left with income to improve on their welfare.

The 2007-2008 global food crises forced an estimated 100 million people in SSA beneath the poverty belt. The grain crisis pushed up food prices all over SSA. The United States claims that food scarcity and high food prices are provoked by the rapidly growing middle class in China and India, estimated at 650 million people. However, it is reported that 65 to 75 percent of the global increase in food prices is provoked by the conversion of “crop for fuel” (i.e. biofuels)<sup>7</sup>. Land grabbing epitomized a major impediment to socio-economic development in SSA. It should be reversed to unlock development, unleash food security and guarantee the sustainable management of resources that are critical to development. “Africa is already awake to the land grabbing reality,” writes Khadija Sharife (2009), “but it is hard to stand your ground when it is being sold from right under your feet.”

Tangible development can only see the light of day in SSA if the grabbing of land, water, forest and other vital resources that can catalyze development is halted. Usurping vast chunks of land in SSA is neocolonialism by extra-African forces, is to exploit SSA’s resources and to stall its very development. This could be reversed through transparent and improved land management all over SSA. The Pan African Conference of 1900 was convened amongst other things to “protest against the stealing of lands in the colonies.” Similarly, the First Pan African Congress of February 1919, convened by Dr. Du Bois in Paris, demanded that “the land in the colonies must be reserved, with its natural resources for the natives.” Equally, the 3<sup>rd</sup> Pan African Congress of 1923, emphasized on “the right

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6] Jacques Diouf is currently the Director General of the Food and Agricultural Organization. His views on land grabs in Sub-Saharan Africa are documented in the publications of the FAO that can be consulted on the web pages of the WT. Available from <http://www.fao.org>; accessed April 10, 2013.

7] Although the US claims that food prices have been forced up by the dramatic rise of the middle class in China and India, a leaked confidential report by Don Mitchell, a senior World Bank analyst, clearly concludes that food scarcity and mounting prices are caused by the conversion of crop into biofuel.

of black peoples to speak for themselves to their respective governments and the right to land and its produce” (Tajudeen Abdul-Raheen 1996, 2-5).

Development decisions, opportunities and the gains generated from the current limited development are the preserve of the politically connected. The development endeavor has to be inclusive to involve the entire populace as should be the fruits of development. SSA societies are ridden with inequality. All across SSA, those that are connected to power are rich and well-to-do. A situation of massive wealth juxtaposed with a scenario of extreme poverty, misery and destitution. The class dichotomy in SSA, produced by capitalism, has fanned the sentiments of inequality and injustice continent-wide over the years and perpetually eroded the credibility and social liaison between the elite and the masses.

Pushing for equality demands the reversal and curbing of the prospects for excessive self-enrichment by a few individuals at the expense of a vulnerable and deprived multitude. Such measures will improve the legitimacy of SSA states and diminish the probability of conflict triggered by disgruntlement, political adversary and/or the declining legitimacy and credibility of the state, as was the case in Sierra Leone, Rwanda and elsewhere and currently in the Central African Republic, where discontent about state leadership and failed domestic policy constitutes a catalysts for undermining the state and thus instability. Jimi O. Adesina (2007) assert that, “development requires the removal of major sources of unfreedom: poverty as well as tyranny, poor economic opportunities as well as systemic social deprivation, neglect of public facilities as well as intolerance or over-activity of repressive states” (Adesina 2007, 41 and Sen 1999, 3).

In order for tangible socio-economic development to take root and blossom in SSA, it is paramount to push for, and accelerate the economic and political integration as well as the amalgamation of road and other infrastructure similarly to integrated Europe. SSA has registered sporadic development here and there. South Africa and Zimbabwe were associated with development in Southern Africa in the 1980s. South Africa, Botswana, Equatorial Guinea are today cited to have made good development progress, due in part to the transparent management of oil resources in Equatorial Guinea and diamonds proceeds in Botswana and economic improvement in South Africa, although problems persist.

The mitigated results registered over the years as SSA attempts to integrate economically, politically and make efforts to integrate energy and road infrastructure similarly to the EU, remain a major challenge and constitute a major barrier to development. Various SSA nations are endowed with natural, energy and human resources that a few geographically disfavoured nations are naturally deprived of. SSA nations with limited or no resources can only develop by sharing in the resources of neighbouring nations that are resource rich. Poor and landlocked nations such as Malawi and desert and non-coastal, desert nations such as Chad and the Central African Republic will only register socio-economic development through infrastructure sharing, along with practical economic and political integration of the region. With exception of the Democratic

Republic of the Congo and a few others, SSA nations are relatively small in size, with fragmented infrastructure and relatively small markets. A well integrated SSA represents a substantial regional market that in themselves could catalyze industrialization in the long run. Through the actual regional integration of SSA, the small states and small markets and fragmented infrastructure and resource endowment, combine to inform the regional approach to development in SSA (Adesina 2007, 8). The lack of regional unity in SSA is a colonial legacy that has a negative fallout on regional development and regional integration efforts.

Development cannot bloom in conflict devastated settings as is the experience in some SSA nations. SSA is a theatre of repeated outbreaks of armed conflict. Armed conflict and development do not cohabit. Most Conflicts are a manifestation of the absence of national unity. Development has thus suffered in SSA due to the absence of national unity in most SSA nation states. Fragmented state systems undercut development efforts and breed national and regional instability. Divisive ethnic politics and rivalry playing out in SSA today were colonial constructs to control African populations. Diverse and transnational ethnic arrangements have enduring negative fallout on development in contemporary SSA states. Enduring ethnic differences in Cameroon, the Democratic Republic of the Congo, Rwanda and other SSA states is detrimental to national development, unity, stability, and peaceful cohabitation. Thus, our concern and deep-seated preoccupation about national unity as a panacea for nation building and a driver of development is well founded.

The role of the military in SSA as an instrument of oppression and a shield to sustain various dictatorships needs to be reviewed and adapted to that of a stabilizing force and an incubator of technology. The military in advanced economies such as the United States of America generates up-to-date and innovative technology on a regular basis that is channelled for socio-economic development as well as in the civilian sector. Enormous resources are spent to sustain various military architectures in SSA. North-South military cooperation should incorporate technological transfer and the appropriation of the role of the military in SSA as a vector of development and a producer of technology for socio-economic development.

A critical assessment of the neoliberal development strategy, articulated by the IMF and enshrined in the development view of the North, has gotten SSA nations perpetually indebted and trapped in a vicious circle of debt servicing and repayments. The Northern neoliberal strategy has destroyed the prospects of development in the entire region. Resources that are supposed to be channelled for development are rather used for debt payment as Stiglitz elucidates:

Well think of yourself now as a poor African country and some company in your country has borrowed 100 million dollars from a US bank and they have to pay 18-20 percent interest, which is not unusual. So what does the government have to do? It has to put 100 million dollars in reserves, one hundred million dollars that could be spent to build schools, to build clinics, and to do lots of other things. (2002, 118)

Fostering development in SSA therefore necessitates a revisit of the current development model and bringing to a gradual close the enduring practice and impact of borrowing from the World Bank and thus evading the negative fallout of this trend on development in SSA. China, Brazil and Tiger economies did not make the economic leap with funds borrowed from the IMF or the World Bank. The way forward for SSA is to explore opportunities for alternative sources of funding that are less constraining. Concerned about the potential negative fallout of IMF and World Bank funding on its socio-economic development, Angola recently declined IMF money for a Chinese loan. Other SSA nations should follow in those footsteps. In a sense, the developmental benefits of aid deserve to be reviewed as well, given the mounting evidence that it is the South that indirectly finances development in the north.

#### IV. CONCLUSIONS

The Northern view of development that has been dictated to SSA countries bilaterally, and articulated through the IMF, World Bank, WTO and enshrined in the structural adjustment packages, has failed to deliver the much needed socio-economic development. On the contrary, development has stalled in most of SSA. Development strategy in SSA has to be context specific, for it to deliver, and devoid of the current one-size-fits all approach dictated by the west.

SSA can best develop, by drawing from Chinese development inspiration, as a case in point of development thinking in the South. Such development must prioritize the acquisition of vital technologies, diversified industrialization, the beefing up of human resource capacity and incorporate respect for the environment, sustainable development, sustainable resource management, and the economic empowerment of women as comprehensive aspects of development through complementary development strategies that advance all of the several facets of development simultaneously. The northern development model does not emphasize on technological improvement and education as indispensable catalysts for development in SSA and the global south. This paper accentuates the need to intensify South-South technological transfers as well as the training of engineers to enhance human knowhow in various sectors.

By focusing exclusively on trade liberalization, privatization and deregulation as instruments “to promote development” in SSA and the South, policymakers have ignored important elements that could drive development in SSA. Instead of privatization, competition is required for an efficient market economy that will determine long-term economic success in SSA. The compulsive focus on inflation, that constituted the background for the Washington Consensus, as a central macroeconomic “malady,” has led to the crafting and implementation of macroeconomic policies that are not the most conducive for long-term economic growth in SSA. This has detracted attention from key sources of macro-instability such as a weak financial sector (Stiglitz 1998, 5).



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