

# **Introductory Paper**

# GOVERNANCE FOR DEVELOPMENT IN AFRICA

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# MINDS Annual African Youth Dialogue 2016 Introductory Paper

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## **INTRODUCTION**

Governance and Institutions are two themes which are frequently discussed in the context of African development. The quality of governance has been directly linked to the prospects for progress; the World Bank (1992) defined governance as "the manner in which power is exercised in the management of a country's economic and social resources for development". The Bank went further to claim that "good governance is synonymous with sound development management" (ibid).

Institutions are notoriously difficult to define- the word is used frequently to capture a range of ideals, mechanisms, and arrangements of governance. Institutions have been labelled as the cause of developmental problems, the solution to challenges, and the vehicle of progress. For example, in 'The Colonial Origins of Comparative Development', (Acemoglu, et al., 2001) argue that the design of extractive and exploitative political institutions established during the colonial era, result in weak institutions, which impede development. Similarly, in 'Why Nations Fail', Acemoglu and Robinson explain inequalities and differences in global economic and social development by contrasting institutional arrangements including, resource allocation, dispute resolution, rights and privileges, the rule of law, and political systems (Acemoglu & Robinson, 2012).

Several questions then arise-firstly, how are political institutions, or governments created in contemporary Africa? Secondly, what are these governments created to do? Thirdly, how do governments deliver development? Fourthly, what is the objective of development in contemporary Africa?

The first question is easy to answer: governments exist by way of elections and legal instruments such as constitutions. In some countries, there are hereditary monarchies, in others there have been coups, in yet others, leaders and their supporting machinery have simply held on to political power and the institutions of state.

The second question elicits a somewhat straightforward answer; the African continent obviously needs to develop, it needs to make progress, Africans need to enjoy a better quality of life, and so on. It follows that governments in Africa are to deliver development. The problem is that these catch-phrases, 'development', 'progress', and 'quality of life', can all be given different meanings, depending on who is using them, and the perspective from which they are deployed. The following sections attempts to identify the nexus between governance and development, as well as the meaning and purpose of 'development' in, and for, contemporary Africa.

#### GOVERNANCE AND DEVELOPMENT

There are over one billion people on the African continent, living in fifty-three countries, in disparate political, economic, social and cultural contexts. These contexts are determined, to a significant extent, by the governments under which they live; the institutions of government shape political, economic and social interactions through mechanisms such as law, policy, resource allocation, regulatory supervision, and enforcement of regulations. Discussing economic development, specifically the interaction of the state and markets in Africa, Stein (2003: 161) observes that "state and public entities are embedded in even the most rudimentary markets. They provide infrastructure, licensing, regulations, and an array of related bodies such as the legal and financial system. These are not simply supporting mechanisms but constructs that are internalised in the operation of markets". It follows that the institutions of government, or the public-sector, shape the workings of economy and society. Furthermore, government, or public-sector institutions are a mirror of society: the values and systems by which institutions of the state function, reflect the nature of the social contract between the citizenry and government.

In the recent history of the African continent, the state or government has evolved several times; in the 1960s and 1970s, Okonjo-Iweala (2012:36) states: "there was a much more interventionist ideology that saw the state not just as an enabler or a regulator of private enterprise but as a producer of goods and services". She goes further to describe ascribed roles and functions of government during this time, including the primary driver of economic development, provider of infrastructure, and monetary backbone. State Owned Enterprises (SOEs) were a favoured means of intervention, and accounted for up to 17 per cent of Gross Domestic Product (GDP), on the average, in African countries, based on the rationale that "publicly owned firms would be better—i.e., more rational and socially beneficial—investors, that they would fill "entrepreneurial gaps," gain access to international concessionary and commercial credit denied to small local business-people, provide services the private sector either would not or could not (or even, to some, should not), and generally serve as training centers where Africans would acquire the technical and administrative skills required in a modern economy" (Nellis, 2005).

By the 1980s, a debt crisis and severe economic challenges across the continent led to the reductions in the size and role of government in many African countries: "from 1979 to 1989, the World Bank approved, worldwide, 98 structural adjustment operations with SOE-related components. Most of these were supported by parallel technical assistance loans or credits. African cases accounted for 70 percent of the total World Bank SOE-related adjustment universe in the 1980s" (ibid). Economic inefficiencies were pinned on the weaknesses and incapacities of governments, as well as entrenched. Reform programmes, championed by international institutions such as the World Bank and International Monetary Fund positioned the private sector as the driver of economic development, and assigned to governments the limited role of regulation.

These reforms notwithstanding, government, and governance remained relevant through the 1990s and into the 2000s; at international level, reforms were driven through conditionalities, technical assistance, capacity building and institutional-strengthening programs. At national level, countries have undertaken reforms for reasons ranging from political expediency, the pursuit of economic and social objectives, amongst others. Also, this period saw the emergence of qualitative and quantitative tools for measuring the quality of governance worldwide, as shown in table 1 below.

**Table 1. Governance Measurement Indices** 

Index	Publisher	Year Commenced	Indices Measured
Corruption Perceptions Index (http://www.transparency.org/research/cpi/)	Transparency International	1995	Countries are scored on how corrupt their public sectors seem to be.
Worldwide Governance Indicators (http://info.worldbank.org/governance/wgi/index.aspx)	World Bank	1996	<ul> <li>Voice &amp; Accountability</li> <li>Political Stability and Lack of Violence,</li> <li>Government Effectiveness,</li> <li>Regulatory Quality</li> <li>Rule of Law</li> <li>Control of Corruption</li> </ul>
Public Attitudes on Democracy and Governance (http://afrobarometer.org/survey s-and-methods)	Afro Barometer	1999	An African-led series of national public attitude surveys on democracy and governance in Africa
Doing Business Index (http://www.doingbusiness.org/rankings)	World Bank	2003	Economies are ranked on their ease of doing business, from 1–189. A high ease of doing business ranking means the regulatory environment is more conducive to the starting and operation of a local firm.

The common rationale for reforms has been that the form, and functions of government shape developmental outcomes. The assumption has been that public-sector institutions can, and should deliver developmental outcomes. However, it is imperative to validate this assumption, first to ascertain whether the public sector in Africa is suitable for context, and fit for purpose. Establishing the suitability of institutions requires an examination of antecedents and realities, to adequately understand the elements which shape modern Africa. Thereafter, it becomes necessary to determine whether institutions are fit for purpose, which, in this case, is taken to be that of delivering developmental benefits for African people.

## AFRICAN DEVELOPMENT

At a literal level, development connotes movement, progress, or advancement, and speaks to the idea of continuous evolution or improvement. The concept of a peculiar 'African Development' was put forward during independence era as Pan-Africanist and independence leaders spoke to the necessity of developmental objectives designed and implemented for the African context. This context covered political, economic, legal, social, cultural and emotional objectives, as shown through excerpts of independence speeches in Boxes 1-3 below.

## **Boxes 1-3. Excerpts from Independence Speeches**

#### Box 1. Congo, Patrice Lumumba. June 30, 1960

The Republic of the Congo has been proclaimed and our beloved country's future is now in the hands of its own people. Brothers, let us commence together a new struggle, a sublime struggle that will lead our country to peace, prosperity and greatness. Together we shall establish social justice and ensure for every man a fair remuneration for his labour. We shall show the world what the black man can do when working in liberty, and we shall make the Congo the pride of Africa. We shall see to it that the lands of our native country truly benefit its children. We shall revise all the old laws and make them into new ones that will be just and noble. We shall stop the persecution of free thought. We shall see to it that all citizens enjoy to the fullest extent the basic freedoms provided for by the Declaration of Human Rights. We shall eradicate all discrimination, whatever its origin, and we shall ensure for everyone a station in life befitting his human dignity and worthy of his labour and his loyalty to the country. We shall institute in the country a peace resting not on guns and bayonets but on concord and goodwill. And in all this, my dear compatriots, we can rely not only on our own enormous forces and immense wealth, but also on the assistance of the numerous foreign states, whose co-operation we shall accept when it is not aimed at imposing upon us an alien policy, but is given in a spirit of friendship... Thus, both in the internal and the external spheres, the new Congo being created by my government will be rich, free and prosperous. But to attain our goal without delay, I ask all of you, legislators and citizens of the Congo, to give us all the help you can.

I ask you all to sink your tribal quarrels: they weaken us and may cause us to be despised abroad.

#### Box 2. Ghana, Kwame Nkrumah. March 6, 1957

But also, as I pointed out, that also entails hard work. That new Africa is ready to fight his own battles and show that after all the black man is capable of managing his own affairs. We are going to demonstrate to the world, to the other nations, hat we are prepared to lay our foundation — our own African personality...Reshaping Ghana's destiny, I am depending on the millions of the country, and the chiefs and the people, to help me to reshape the destiny

of this country. We are prepared to pick it up and make it a nation that will be respected by every nation in the world. We know were going to have difficult beginnings, but again, I am relying on your support.... I am relying upon your hard work. Seeing you in this... It doesn't matter how far my eyes go, I can see that you are here in your millions. And my last warning to you is that you are to stand firm behind us so that we can prove to the world that when the African is given a chance, he can show the world that he is somebody.

#### Box 3. Kenya, Jomo Kenyatta. December 12 1963

For a moment it is hard to believe that it is true. For this day has been won with such long effort, such sacrifices, such sufferings...

Now at last we are all free, masters in our own land, masters of our destiny...FREE! What shall be my message to readers of PAN AFRICA? First: Enjoy yourselves! Be happy! Breathe deeply this sweet, pure air of freedom! This freedom is yours – yours for the rest of your lives, to pass on to your children and your children's children. Freedom! The most glorious blessing of mankind.

50 years after the first wave of political independence, it is imperative that there is a substantial, clear and contextual definition of African development. This will require Africa: governments, political parties, civil society, the social sector and other groups to explore the meanings of development, not necessarily from a theoretical or normative perspective, but to properly capture the rationale and objectives which should underpin development-related dialogue and activities. Clear definitions can then lead to practical, and achievable aspirations for the immediate, medium and long-term, based on the political, economic, and capacity-related realities of the continent.

What precisely, does development mean today (and tomorrow), in Africa, for Africans, and for the world? What forms does development take? What are the implications for thought patterns, and ways of life? What are the indicators and measurements of development? What is the price of development, and who will pay it? Africa is a continent of 53 countries, many languages and cultures. Nonetheless, common heritage, geographical proximity, shared experiences and goals are denominators which enable the articulation of precise and specific objectives of development. To define development for Africa, we need serious conversations, at national and regional levels, about where Africa is, where the continent can go, whether, and how we will proceed on the journey of progress. Africans must ask, in a sincere manner, what development means, and whether it is a journey we want to make. Africa needs to have a clear-sighted, rational and realistic understanding of present-day realities, and the implications of decisions taken. Importantly, we need to establish indicators, markers to measure our progress towards the intended destinations.

## **CONCLUSION**

The quality of governance holds implications for the developmental trajectory of Africa. Development, as an idea, and an undertaking requires robust definition, influenced by a proper understanding of the antecedents and realities of the African continent. Then, the institutions of government can be configured to enable the processes, and outcomes of development. This study does not prescribe solutions-it is intended to stimulate conversations which lead to the formulation of developmental objectives, and the emergence of strategies and approaches designed for the African context.

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