

Globalisation and Africa Crisis of Development in the 21st Century

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Abstract

It is paradoxical that Africa is the first habit of man but has evolved today as the last to be made truly habitable. There is the disconcerting fact that Africa harbours overwhelming majority of the least developed countries of the world which UN regards as the “Poorest. In spite of its rich resources-endowment, a disproportion number of people in the population of Africa are known to be under-nourished and under-privileged. It has been suggested that the current crisis of development in Africa cannot be properly understood if perceived merely as internal remote. Therefore, the paper examines the crisis of development in Africa with specific attention to “21st century using various indicators of socio-economic and political as prominence for assessment .The impact of globalization on Africa continent was also given prominence consideration. Besides, a review of the existing status of the continent on the global development spectrum is made in order to visualize the way forward. It was discovered that, the rising profile of Africa in the world economy was however suddenly truncated through its contact with the outside world. The preceding result of the research also, revealed that, the law of comparative advantage and economies of scale work strongly against Africa in achieving developmental goals in the 21st century. The paper then, suggests that much of the conventional wisdom regarding on how best to address African development and poverty is not only misguided but often harmful by certain policies. Hence, other policy issues were recommended which constitute imperative pre-requisite for the attainment of development in the continent of Africa.

Key Words: Globalisation, Development, Africa

Introduction

The African condition of underdevelopment has manifested in the increasing inability of African countries to provide the basic essentials of life to their citizens. The problem of hunger, unemployment, disease, illiteracy, socio-economic anxiety and insecurity, have tended to over-whelm as mass majority of the people, resulting in mass frustration, alienation and disorientation of the citizenry. The situation has been compounded by problems of repression and exploitation perpetrated by a decadent ruling class. The result is that today, African’s contribution to global GDP and industrial output is not only infinitesimal, the Physical Quality of Life Index (PQLI) and other indicators of development in most acquisition, nature, uses, misuses or abuses.(OJO, 2000:55).

The situation has been compounded by the problems of repression and exploitation perpetrated by decadent colonial masters. The most outstanding work to date, which examines the impact of colonial rule on development processes in Africa is Walter Rodney’s book How Europe underdeveloped Africa. The account given in this book show how Africa was robbed of her potentials, specifically through slave trade, colonialism, imperialist exploitation. Africa’s current marginal position in the global economy must be placed in an historical context— i.e. it’s colonial past and the manner in which the continent was integrated into the post-1945 world order. The continent is no stranger to the deleterious effects of globalization. More than any other region in the world, Africa has paid a high price for the globalizing policies of rival capitalist powers as they strived to expand the geographic bounds of capital. Starting with the slave trade in 1650 and continuing under colonial rule after the Berlin conference of 1884, the continent has been heavily drawn into the centers of capitalist accumulation, but always as a subordinate partner with the primary purpose of contributing to the development of the metropolitan powers.

The post-1945 world order has done very little to alter Africa's subordinate role in it (Carin N, and Fantu C, 2008).

Between 1970 and 2000, real income growth failed to keep pace with population growth in Africa. After posting a modest average annual growth rate in real per capita income of about 0.7 per cent during the 1970s, these rates turned negative during the 1980s and 1990s, falling 1 per cent and 0.5 per cent, respectively. Since 2000, Africa countries have posted improved growth rates, largely on primary commodity-driven recoveries, and most seem to have recovered relatively quickly from the global economic crisis. Even so, average real per capita income is still barely higher than in 1970 and Africa Countries fell behind all other regions on most development indicators. The regional average also conceals vast differences within the continent, where countries affected by violent conflict and political instability were the worst performers, and mainly resource-rich countries have profited from the commodities boom since 2000.

Furthermore, the weak and often erratic growth performances have been accompanied by regressive trends in income distribution in many countries, with a particularly marked drop in the average per capital income. The rising profile of Africa in the world economy was however suddenly truncated through its contact with the outside world. This marks the beginning of the unmaking of Africa. In fact, Africa's first contact with the outside world was through the export slave trade as the first phase in the globalization of the world. (Omotola, 2010). Unfortunately, as it later turned out, it was an adventure that was rather too fatal and lethargic of 11,641,000 Africans were taken from Africa as part of the Atlantic slave trade (Fage, 1997:254-255). From Black Africa alone, an estimated total of 14,015,000 slaves were exported between 1650 and 1870 (Fage, 1997:258). The impact of the slave trade on Africa is therefore mostly reflected in its massive depopulation of the African continent, with a heavy toll on development. By implication, Africa was already prostrate by the time the next European onslaught in the form of colonial invasion began. This was because it had almost lost the will to fight after some 425 years of continuous slave raids, physical destruction, depopulation, technological demobilization and the most unimaginable destruction in human history (Onimode, 2000:72, 1989).

But in terms of penetration and consequences, the colonial experience was in itself more devastating (Fage, 1997:391-459; Rodney, 1972; Davidson, 1992; Ake, 1996). Apart from the retroversion, and sometime outright denial of African history, the colonial state, being an illegitimate state, relied on the illegitimate use of force for its survival (Osaghae 1989:37; Ake, 1978; Mamdani, 2002). Amidst the ensuing deeply entrenched legitimacy crisis, the resort to violence became inevitable to accomplish its imperial objectives. At every stage and at every level, as Onimode (2000:73) has argued, colonialism was a massively violent encounter. Granted that the decolonization process has been completed in Africa, the substantive legacies of colonialism still endure (Mamadani, 2002; Osterhammel, 1997; Ekeh, 1983, 1975). They are manifest in the form of imported and transformed social structures, which today remain largely unchanged. The failure of African States to adapt these structures into African realities or to dismantle them, even in the face of glaring opportunities at independence, has remained a potent force in the neo-colonial enterprise.

Up until today, as shown by its attributes of dependence, legitimacy crisis, underdevelopment, Africa remains a continent of crisis and contradiction (Osaghae, 1999, Onimode, 1983). All efforts to address the situation by African leaders have so far been feckless because the neo-colonial environment has been ably accommodated and enhanced by the enduring legacies of colonialism. This explains why today, Africa remains at the very nadir of development. Available statistics show that Africa is really in a deep crisis of development. As the United Nations Conference on Trade and Development's Least Developed Countries 2002 report has shown, the proportion of people in 29 countries living below \$2 per day increased from 82% in the late 1960s to 87.5% in the 1990s. For those in extreme poverty (under \$1 per day), the increase was from 55.8% to 64.9%. In absolute figure, the number of Africans living in extreme poverty rose from 89.6 million to 233.5 million over the same period. Also, of the 49 countries classified as least developed countries, 33 of them are in sub-Saharan Africa (Ogwu, 2002:18-19). Besides, about 186 million people are chronically undernourished, while one out of every three Africans suffers extreme poverty (Onitiri, 2001:5). Yet, Africa's per-capital income is lower than it was in the 1960s. With the exception of South Africa, average per-capital income in 1997 was \$315; making Africa the poorest part of the world. The total GDP of all 48 countries on the continent combined came to little more than the income of Belgium. The average GDP of sub-Saharan African Countries (excluding South Africa) is at about \$2 billion, no more than the output of a town of 60,000 people in a rich country.

The performance of African economy is also deplorable. For the period 1995-97, the investment to GDP ratio for Sub-Saharan Africa (SSA) was 17.8% compared to 34.8% for Asia, excluding Japan, and 20.9% for advanced economies. Africa's share of world trade has declined steadily over recent decades and today stands at 1%. According to world bank estimates, Africa's loss of market share in merchandise exports over the period 1970-93 amounts to an annual loss of about \$68 billion, equivalent to about 21% of GDP (Akagwu, 2002:25). In terms of global private capital flow, Africa has not fared better. For the period 1991-97, SSAs share of some \$570 billion in cumulative flows of Foreign Direct Investment (FDI) to all developing countries amounted to a mere \$23 billion, less than 5%, much of which was concentrated in a small number of oil mineral exporting countries (Akagwu, 2002:25). Out of this, Africa's share amounted to only 0.06% (UNDP, 1997:191). Whereas, Africa's foreign debt service payments were \$31.1 billion in 1990, a minimum of \$24.0 billion in 1994 and \$33.4 billion by 1997 (Onimode, 2000:95). These were small proportions of the total African debt, which was \$288.3 billion in 1990; \$309.9 billion in 1994; and \$325.5 billion in 1996 (Onimode, 2000:108). In terms of distribution of world income, Africa has not fared any better. Out of the total world income of \$23,892.0 billion in 1993, Africa's share was \$311.5 billion, a mere 1.3% and the lowest in comparative terms with other regions of the world (Onimode, 2000:164).

Africa's term of trade between 1991 and 1998 was at all time negative, leading to chronic current account deficit and balance of payments crisis for African countries (Onimode, 2000:82-83). The frequency and intensity of conflict in Africa are equally deplorable to the extent that all parts of the continent have engaged or are still engaged in one form of conflict or the other. Liberia, Sierra Leone, Burundi and Rwanda, Sudan and Ethiopia, Somalia, Angola, Democratic Republic of Congo, Cote D'Ivoire etc are prominent examples (Omototola 2010). These conflicts have had catastrophic implications for the continent. Apart from the militarization of the society, military expenditure, though a social burden, has in almost all cases been greater than social expenditure (Rimmer, 1995:297). Africa has now become a dumping ground for arms and ammunition. For instance, while Britain was reported to be exporting \$600m (about N78bn) worth of arms to Africa every year, the US, the leading arms trader, exported more than \$14b (N1,870bn) worth of military equipments to developing countries (Daily Trust, June 23, 2002:1). Consequently, social expenditures are now being sacrificed for military expenditure. Moreover, the impact of conflict has been preponderantly manifested in other areas such as the productive sector, human lives, as well as refugees and displaced persons.

It was such that by 1997, 1.06% of the total African population was either refugees or displaced persons (Annan, 1997:1). By 1998, Africa accounted for over 8 million of the 22 million refugees worldwide (Mills, 1999:3 cf Oche, 2000:79). The case of Rwanda and Burundi seems more dramatic. Between 1963-64, **3,000–10,000** Tutsi were killed; 150,000 Tutsi became refugees in a localized massacre. In 1972, 80,000–200,000 Hutu were killed; 150,000–300,000 Hutu became refugees. In 1988, 200,000 Hutu were killed in Marangara and Ntega; while about 50,000 became refugees. In 1994, 500,000-800,000 Tutsi were killed nationally and about 105,000 Tutsi turned refugees (See Victor, 2001:184-185). These and other related issues such as poor governance and debt crisis, among others, depict the stark realities of Africa's developmental crisis (Ogwu, 2002:20). But as it has been pointed out earlier, Africa is a continent with great potentials for development. The abundance of both human and material resources of high quality attests to this. In spite of these, Africa remains at the nadir of development, owing ostensibly to its forceful integration into the world capitalist economy. In historical perspective, this development failure was unexpected and seems a lot less unavoidable than the longstanding "Afro-pessimistic" discourse on Africa's economic development would have us believe. In the 1960s, per capita gross domestic product (GDP) and GDP growth were higher in Africa than in Asia, and expectations then were that African countries would grow faster due to their superior resource endowments (World Bank, 2005, p. 274). However, they failed to adjust to changing global economic conditions and went on to experience over two lost decades of development from the late 1970s until the early 2000s.

Recent pre-crisis real GDP growth rates suggest that Africa's economy was beginning to recover after the "lost" last quarter of the twentieth century), but not exclusively, to a strong commodity boom. Despite this growth upturn, the region remains mired in poverty, faces the most serious infrastructure gaps and retains a narrow export base, none of which is conducive to rapid and sustainable development.

Yet, when most other developing economies embarked on import-substituting industrialization in the 1930s (in Latin America) and the 1950s, Africa remained under colonial rule for much of the period, and well into the 1960s.

Consequently, the import substitution phase in most of African Countries were relatively short, lasting barely a decade in many countries due to the lateness of independence and the early onset of economic slowdown owing to the oil shocks of the 1970s (Mkandawire, 1988). Import compression following the debt crisis constrained capacity utilization and investment, preventing many countries in Africa from adjusting positively to the changed global environment. In this context, trade liberalization, beginning in the 1980s, prematurely exposed African “infant” industries to global competition against much more mature industries. In addition, the global economic crisis of 2008 has had a severe impact on Africa. Growth decelerated significantly in 2009, endangering the limited progress made on the Millennium Development Goals (MDGs), especially poverty reduction (UNECA-AU, 2010)(in Omotala ed.2010).

Conceptual Clarification

Globalization has become a major topic of discussion and concern in economic circles since the mid-1990s. It is clear that the trend toward more integrated world markets has opened a wide potential for greater growth, and presents an unparalleled opportunity for developing countries to raise their living standards. One of the most significant issues discussed in development study or society is globalization. In agreement with some scholars, globalization refers to process of the intensification of economic, political, social and cultural relations across international boundaries. It is principally aimed at the political and socio-economic theory across the globe (Fafowora, 1998:5).

Globalization also deals with the increasing breakdown of trade barriers and the increasing integration of the world – market at large. In other words, as Oluabunwa, (1999:20) Once opined: Globalization can be seen as an evolution which is systematically restricting interactive phases among national by breaking down barriers in the areas of culture, commerce, communication and several other fields of endeavor.

This is evident from its push of free market economics, liberal democracy, good governance, gender equality and environmental sustainability among other holistic values for the people of various member states.

Within the parameters of the foreign, globalization could be correctly defined from the institutional perspective as the spread of capitalism. (Macewean, 1990).

In most basic terms, the globalization of the world economy is the integration of economies throughout the world trade, financial flows, the exchange of technology and information, and the movement of people. The extent of the trend toward integration is clearly reflected in the rising importance of world trade and capital flows in the world economy. An increasingly large share of world GDP is generated in activities linked directly or indirectly to international trade.

However, it’s germane to adumbrate that the collapse of the eastern bloc in the late 80’s and early 90’s led to the emergence of a global western system of economies into the global capitalist market economy. After the demise of the eastern Europe in early 90’s, capitalism as an economic system now dominate the globe more than it has been used ever at any time in its history.

Development is better understood by examining various areas in which it implies the manifestation of improvement in the conditions of man and society. When so perceived, development may be defined as the manifestation of change in the distinctive character of a phenomenon, resulting in qualitative and quantitative improvement in the nature and conditions of the phenomenon.(Ojo 2000)

Todaro, (1985) however, conceptualizes development as: “a multidimensional process involving major changes in social structures, popular attitudes, and national institutions, as well as the acceleration of economic growth, the reduction of inequality and the eradication of absolute poverty” (cf Lane and Ersson, 1997:19). In another work, the same scholar identifies three core values of development (Todaro, 1989:89- 90).These include the ability to provide as many people as possible with their basic needs or the ability to acquire adequate food, shelter, health care and protection. It also entails the perception of individuals or groups of self-worth and esteem as a respected members of the society and freedom in the sense that individuals and society at large have an expanded range of choice, not only with respect to the material necessities for self reproduction, but also in their ability to have a say in, if not to determine, the method and process by which values are allocated in the society (Ogwu,2002)

Theoretical Framework

Every theory of development is distinguished by its perception of the objective of development and the strategy it prescribes to achieve development. Socialist reconstruction of society is the ultimate objective of development and social change according to the Marxian theory of development. Marxian theory of political change pays little or no attention to problems of new states. The theory itself is a product of the industrialized west. Its main postulation is that any social system is a product of a preceding social system, to which it was necessarily opposed and from which it inevitably emerged. Thus, as capitalism grows out of feudalism which it eventually destroys, so socialism grows out of capitalism. In the first instance, the agent of change is the bourgeoisie, while in the second it is the working class. Capitalism is perceived as opposed to feudalism which it subsequently destroyed. It is from the ruins of feudalism that capitalism emerged. In the same manner, socialism was opposed to capitalism which it destroys and from which it subsequently emerged. Thus, socialism grows out of the destruction of capitalism as a historical process of change.

The Marxian theory of development to that extent perceives of development as a historical process of change in which one socio-economic and political formation is bound to give way to another opposed to it. Class conflict is an essential element of any process of change according to this theory, without which no change is possible. In the historical process of change, culminating in the emergence of capitalism out of the destruction of feudalism, there was necessarily class conflict between the bourgeoisie and the feudal class. Hence the bourgeoisie was perceived as the main agent of change according to the Marxian theory. In the same manner, class conflict between the working class and the bourgeoisie is perceived as a central element in the process of change from capitalism to socialism, without which no such change can occur. The working class perceived by the Marxian theory of development as the main agent of change in the emergence of socialism out of the opposition to and eventual destruction of capitalism.

The logic is this: As the bourgeoisie realizes its increased economic power, so it will turn upon the aristocracy, and will be turned upon in the course of time by the working class, which capitalism brings into being and inevitably exploits. Because capitalism exploits the working class, the latter inevitably rises upon the former, resulting not only in opposition of the working class to capitalism, but in the eventual destruction of capital by the working class and the emergence of socialism out of the ruins of capitalism. An essential factor in this process of change which must be re-emphasized, according to the Marxian theory is class conflict. The vanguard role of the intelligentsia in giving leadership to the working class is also stressed by the Marxian theory of development. Because the working class is perceived as weak, the intelligentsia is expected to exercise leadership on its behalf. It is important, to note the recognition which this theory accords to the intelligentsia in the process of development. This may be interpreted to imply that education is crucial as an element of development because it produces the intelligentsia who are expected to provide leadership in the historical process of change.

Through the consideration of imperialism as a higher level of capitalism, Lenin shows the relevance of the Marxian theory of development to the colonial states and the new states which became a very profitable field of investment. Thus from this theorizing, nationalism in the colonial societies may be perceived as anti-capitalist or opposition movement and to that extent an ally of the socialist movement. There was necessarily class conflict between the colonialists and the nationalists and the new states emerged from the inevitable collapse of the colonial states. However, the reality does not suggest that it is as straight forward and simple as this analogy. Why for instance, we may ask, did nationalist opposition to colonialism and to that extent capitalist exploitation not result in the destruction of capitalism and the emergence of socialism in the newly independent states? There is an evident non-revolutionary character of the working class in the new states, why? Some scholars have explained this referring to the reality of neo-colonialist contradictions in most of the new states (Ojo ed, 2010).

In the same vein, the " DIALECTICAL " theory framework attempts to analyze the concept of development from a dialectical perspective. In his view, there are four levels at which development may be analyzed, based on the three theoretical dimensions of dialectics as a theoretical framework.

- i. Those things are perceived as constituting an integrated whole, interconnected with, dependent upon and determined by each other. Thus whatever phenomenon is under consideration must be examined within the context of other associated variables in its environment with which it shares some interdependent relationship. The nature, the causes, dimensions and solutions to development may thus be examined and understood from this dialectical perspective.

In other words, development and underdevelopment are not phenomena that exist exclusively on their own. They are inter-connected with, dependent upon and determined by other variables in society which ought to be recognized in any analysis of development as a phenomenon is better understood or analyzed in relation to other variables of society e.g. operative culture, economic condition, historical experience etc.

- ii. That development in society, polity or for that matter any phenomenon is attained only when changes are of a qualitative kind. Thus political development must signify changes in the essential features of polity and society, resulting in a qualitatively different and better type of society.
- iii. That the character of any object, state or phenomenon under study at any given point in time is reflections of the material base within which context it exists. When applied to development and underdevelopment that whatever from/dimensions they may assume usually reflect the material base of society. This is based on the assumption that the material base is the most fundamental aspect of societies which conditions and significantly affects all other objects. Thus the state of development or development problems facing a polity at any given point in time is a reflection of the material base of the polity. Hence the obstacles to development and objectives of development would in the final analysis reflect the material conditions of society. This materialist paradigm is central to political economy analysis of the problems of development and underdevelopment and it is deeply rooted in dialectical theorizing.
- iv. The dialectical theory of development also holds that development requires the identification and resolution of contradictions and contending forces within the political, economic or social formation under consideration. The process and purpose of development to that extent entails the identification and resolution of the contradictions inherent in society or within any formation being analysed.

In the African context, various dimensions of contradictions and contending forces exist within the socio-economic and political formations which need to be identified and resolved in order to attain development.

Who Benefits and Who Loses in Global Market?

It is important to recognize that globalization is not a zero-sum game--it is not necessary for some countries to lose in order that others may gain. But to take advantage of this trend, countries will have to position themselves properly through the right policies. Clearly, those economies that open themselves to trade and capital flows on a free and fair basis and are able to attract international capital will benefit the most from globalization. Open and integrated markets place a premium on good macroeconomic policies, and on the ability to respond quickly and appropriately to changes in the international environment. Success in open markets, and in attracting new investment and advanced technology, also means that the structure of economies is changing more rapidly than ever before. As with any structural change, there will be some segments of society that are at a disadvantage in the short term, even while other segments, and the economy as a whole, are benefiting. This does not mean, however, that countries should seek to isolate themselves from globalization. Rather, governments must fully embrace globalization in awareness of its potential risks, and seek to provide adequate protection for the vulnerable segments of society during the process of change. While globalization raises the rewards of good policy, it also accentuates the costs of poor policy (Alassane,1997).

Credibility of economic policy, once lost, has become more difficult to regain. What is now critical is the perception of markets that economic policy formulation and implementation is consistent and predictable. This underscores the importance of flexible and well-informed policy-making, of solid, well-governed institutions, and of transparency in governance. Countries with a poor or inconsistent policy record will inevitably find themselves passed by, both from expanding trade and from private capital flows for development. These are the countries that run the risk of marginalization (Alassane D. Ouattara 1997). On the contrary, it has resulted to one sided game. The law of comparative advantage and economies of scale are directly working against Africa 's economy, monopoly of profit, economic growth rate, high per capital income e.t.c. are features of Northern economy .On the side of African, is characterized with extreme poverty, inequality, high level of inflation, microeconomic instability, trade imbalance, unemployment, diseases, conflict, debt crisis, low per capital income, low rate of economic growth, high level of dependency, low savings and investment, population explosion, lack of industrialisation, inadequate infrastructural facilities, low standard of living, high level of illiteracy, rural settlement and among others. It was then argued that liberalization would result in opening up of trade markets both in the South and in the North, a move that would accrue economic benefits to countries such as Africa that depend heavily on primary commodities.

In additional, by freeing capital markets, the much-needed foreign exchange would be available in developing countries thus reducing the need to borrow. A further advantage to developing countries would be the stabilisation of local currencies. Based on the experiences of South Korea, Taiwan and Malaysia, removal of non-tax (non-tariff) related barriers to foreign investors, would be present greater chances for foreigners to invest in developing countries, which would then offer better foreign investment returns. Wagaki, M. (1995) .

Several participants noted that this has not happened particularly in sub-saharan Africa as investors are not as keen on Africa as they are on Asian markets. They tend to provide manufactures based on cheap labour in the South which does not guarantee poverty alleviation.

Secondly, markets for African products have not increased significantly particularly in commodities where the South is advantaged and the North are greatly protected. Further where developed countries can delink the prices of their goods from developing countries, the South cannot delink prices of its goods from the Northern market. Increased financial mobility has resulted in increased financial instability as fiscal trade is increasingly based on speculation. This explains why commercial banks in most countries have fluctuating interest rates, which increases risk of taking loans from such institutions a high risk for the local person.

Another associated problem is that, the liberalization of local fiscal markets makes the market vulnerable to changes and shocks. For example, the impact of activities at Barrings Bank in Singapore and more recently, the Japanese Daiwa Bank in the US, had an impact on capital markets all around the world.

Finally, another constraint is that although trade in finances has had its returns, it does not require infrastructural investment in developing countries. Besides, the rate in fiscal industry is high and many African countries lack the necessary tools to regulate it or even reap substantial benefits and gains from liberalization has mainly proceeded in high skill intensive manufactures, financial and service sectors, where the developed countries have a comparative advantage

1.1 Basic Indicators of African Development

GNI GDP per capital Adult Net official
Population Population per capital Constant 2000 prices Life under-five literacy rate development
Land area density World Bank Average expectancy mortality % ages 15 assistance
Total Growth (thousands (people Atlas method annual at birth rate Gini and older) per capital
(millions) (annual %) of sq km) per sq km) (current \$) \$ growth (%) (years) (per 1,000) index Male Female (currency\$)
2009 2009 2009 2009 2009 2009^a 2000-09 2009 2009 2009-09^b 2009 2009 2009

	2009	2009	2009	2009	2009	2009 ^a	2000-09	2009	2009	2009-09 ^b	2009	2009	2009
Sub Saharan Africa	841.0	2.5	23,636	35.6	1,130	618	2.6	52.5	130		74.8	56.3	53.2
Excluding South Africa	791.6	2.6	22,422	35.3	844	428	3.1	52.6	132		74.8	56.3	55.1
Excl. S. Africa & Nigeria	636.9	2.6	21,511	29.6	757	408	2.8	53.6	131				65.9
Angola	18.5	2.6	1,247	14.8	3,750	1,313	9.9	47.6	161	58.6	82.6	57.6	12.9
Benin	8.9	3.1	111	80.8	750	363	0.6	61.8	118	38.6	54.2	29.1	76.4
Botswana	1.9	1.5	567	3.4	6,260	4,082	3.0	55.0	57		83.8	84.4	143.4
Burkina Faso	15.8	3.4	274	57.6	510	264	1.9	53.3	166	39.6			68.8
Burundi	8.3	2.8	26	323.3	150	112	0.2	50.9	166	33.3	72.6	60.9	66.1
Cameroon	19.5	2.2	473	41.3	1,190	694	1.0	51.4	154	44.6			33.3
Cape Verde	0.5	1.4	4	125.5	3,010	1,763	4.8	71.3	28	50.4	90.1	80.2	387.5
Central African Republic	4.4	1.9	623	7.1	450	233	-1.0	47.3	171	43.6	69.1	42.1	53.6
Chad	11.2	2.6	1,259	8.9	600	265	6.7	48.9	209	39.8	44.5	23.1	50.1
Comoros	0.5	2.4	2	354.2	810	367	-0.3	65.8	104	64.3	79.7	68.7	76.8
Congo, Dem Rep.	66.0	2.7	2,267	29.1	160	97	2.1	47.8	199	14.4	79.5	54.9	35.6
Congo, Rep.	3.7	1.9	3.2	10.8	2,080	1,267	1.8	53.7	128	47.3	-	-	76.8

Cote d'Ivoire	21.1	2.3	318	66.3	1,070	536	-1.3	58.3	190	41.5	4.7	45.3	112.3
Djibouti	0.9	1.7	23	37.3	1,280	904	2.1	55.7	94	39.9	-	-	187.7
Equatorial Guinea	0.7	2.6	28	24.1	12,420	8,011	13.6	50.6	145	-	97.0	89.8	46.7
Eritrea	5.1	2.9	101	50.2	320	133	-3.4	59.9	55	-	77.9	56.0	28.5
Ethiopia	82.8	2.6	1000	82.8	330	201	5.7	55.7	104	29.8	-	-	46.7
Gabon	1.5	1.8	258	5.7	7,370	4,054	0.1	60.9	69	41.5	91.4	84.1	52.6
Gambia, The	1.7	2.7	10	170.5	440	382	2.1	56.2	103	47.3	57.6	35.8	75.1
Ghana	23.8	2.1	228	104.8	1,190	343	3.5	56.8	69	42.8	72.8	60.4	66.4
Guinea	10.1	2.4	246	41.0	370	400	1.0	58.3	142	39.4	50.8	28.1	21.3
Guinea-Bissau	1.6	2.2	28	57.3	510	143	-1.4	48.2	193	35.5	66.9	38.0	90.3
Kenya	39.8	2.6	569	69.9	760	452	1.7	54.9	84	47.7	90.5	83.5	44.7
Lesotho	2.1	0.8	30	68.	980	471	2.1	45.4	84	52.5	82.9	95.3	59.5
Liberia	4.0	4.2	96	41.1	160	148	-3.5	58.7	112	38.2	63.7	54.5	127.7
Madagascar	19.6	2.7	582	33.7	430	255	0.8	60.8	58	47.2	--	-	22.7
Malawi	15.3	2.8	94	162.2	290	168	1.9	53.8	110	39.0	8.6	67.0	50.6
Mali	13.0	2.4	1,220	10.7	680	304	2.8	48.8	191	39.0	-	-	75.7
Mauritania	3.3	2.7	1,031	3.2	990	432	2.0	57.0	117	39.7	64.5	50.3	87.1
Mauritius	1.3	0.5	2	628.2	7,250	4,917	2.9	72.6	17	-	90.6	85.3	122.0
Mozambique	22.9	2.3	786	29.1	440	371	5.2	48.1	142	45.6	70.1	41.5	87.9
Namibia	2.2	1.9	826	2.6	4,270	2,673	3.3	61.6	48	-	88.9	88.1	150.2
Niger	15.3	3.9	1,267	12.1	340	173	0.5	52.0	160	34.0	-	-	30.7
Nigeria	154.7	2.3	911	169.9	1,190	506	4.0	48.1	138	42.9	72.0	49.8	10.7
Rwanda	10.0	2.8	25	405.3	490	334	5.5	50.6	111	53.1	71.0	66.8	93.5
SaoTome and Principle	0.2	1.6	1	169.5	1,130	-	-	65.8	75	50.6	93.7	84.0	188.7
Senegal	12.5	2.6	193	65.1	1,040	534	1.6	55.9	93	39.2	61.8	38.7	61.2
Seychelles	0.1	1.2	0	191.2	8,480	7,389	0.9	73.7	12	65.8	-	-	263.7
Sierra Leone	5.7	2.4	72	79.5	340	265	5.8	47.9	192	42.5	52.7	30.1	76.8
Somalia	9.1	2.3	627	14.6	-	-	-	50.1	180	-	-	-	72.4
South Africa	49.3	1.1	1,214	40.6	5,760	3,689	2.8	51.6	62	57.8	-	-	21.8
Sudan	42.3	2.2	2,376	17.8	1,220	537	5.0	58.5	108	-	79.6	60.8	54.1
Swaziland	1.2	1.5	17	68.9	2,470	1,553	1.6	46.3	73	50.7	87.8	86.2	48.9
Tanzania	43.7	2.9	886	49.4	490	426	4.2	56.3	108	37.6	79.0	66.9	67.1
Togo	6.6	2.4	54	121.7	440	247	-0.1	62.9	98	34.4	-	-	75.4
Uganda	32.7	3.3	197	166.0	460	366	4.3	53.4	128	44.3	-	-	54.6
Zambia	12.9	2.5	743	17.4	960	401	3.0	46.3	141	50.7	80.6	61.3	98.1
Zimbabwe	12.5	0.5	387	32.4	360	288	-7.4	45.4	90	-	94.7	89.4	58.8
North Africa	166.7	1.6	5,738	29.1	3,280	2,191	3.1	71.5	26	-	-	-	17.2
Algeria	34.9	1.5	2,382	14.7	4,420	2,190	2.5	72.6	32	-	-	-	9.4
Egypt, Arab Rep.	83.0	1.8	995	83.4	2,070	1,836	3.0	70.3	21	32.1	-	-	11.1
Libya	6.4	2.0	1,760	3.6	12,020	7,692	3.3	74.5	19	-	95.2	82.0	6.1
Morocco	32.0	1.2	446	71.7	2,810	1,809	3.8	71.6	38	40.9	68.9	43.9	28.5
Tunisia	10.4	1.0	155	67.2	3,720	2,805	3.9	74.5	21	40.8	-	-	45.4
ALL AFRICA	1,007.7	2.3	29,375	34.3	1,487	879	2.6	55.6	119	-	-	-	47.2

a. Provisional Data.

b. Data are for the most recent year available during the period specified.

Source: World Bank Database (2009).

How Globalisation Work Against African Development

In a different view, Carin N, and Fantu C,(2008), work titled “Making globalization work for the poor” Identify three steps on how globalization has mitigate against the development of Africa;

❖ Democratizing the Global Governance Architecture

We argue that globalization per se does not produce poverty and inequality. The main problems are the rules and regulations that govern economic globalization. These rules are fundamentally unjust and cannot be expected to reconcile the interests of rich countries with those of poorer and weaker developing countries. Thus, for many Africans, the globalization project is seen as nothing more than a project of ‘colonialism in disguise’.

African countries still lack democratic representation in the decision-making processes of the post-war international institutions. This is confirmed by the findings from a survey done by UNECA that shows that the majority of the respondents (57%) view the current economic governance structures as not facilitating their effective participation in the global economy. African Least Developed Countries are even more skeptical, with two-thirds of the respondents expressing the view that the current structure of global governance does not allow for their effective participation in norm setting in the key financial, monetary and multilateral institutions.

For example, almost a quarter of the IMF’s membership comes from sub-Saharan Africa (45 countries), yet the total voting power of this bloc is estimated to only 4.4%. Even in those decisions that directly affect sub-Saharan African countries, these countries do not have enough voting power to sway the decision in any direction, and they have to rely on the support of other developing countries to muster sufficient support for their position.

The Commission on Global Governance and many other similar international panels have proposed numerous innovative proposals on how to democratize the current global governance architecture. Unfortunately, the major shareholders of the IMF and the World Bank have been unwilling to let go of the levers of power they have vis-à-vis other developing countries in these institutions, particularly in the face of the emergence of more assertive developing countries such as Brazil, China, India and South Africa.

❖ Democratizing the Current International Trade Regime

For developing countries, trade liberalization was part and parcel of the adjustment reform programs already underway. It was expected that trade liberalization would boost economic growth in poor countries, by providing access to foreign exchange, expanding markets, increasing foreign direct investment and facilitating the transfer of technology. This would in turn boost domestic productivity, create employment and increase domestic incomes. Needless to say, these supposed benefits from openness and free trade have yet to materialize in Africa in a meaningful way.

Despite the elimination of many barriers that have restricted international trade in goods, significant barriers to trade still persist - often to the detriment of the poorest countries. These barriers include basic issues such as market access to the development countries’ economies, terms of trade distortions, commodity price volatility and trade patterns, phasing-out export subsidies and trade distorting domestic support measures in agricultural exports, and special and differential treatment for poor countries. These concerns were supposed to be addressed under the so-called ‘Doha Development Round’. Sadly, after almost eight years of on-and-off negotiations, the Doha Round of trade negotiations collapsed on the evening of July 29, 2008 when some of the leading developed countries refused to agree on a proposal to reduce their ‘agricultural subsidies’ as well as to agree on a Special Safeguard Mechanism (SSM) that developing countries wanted to protect their farmers from sudden surges of agricultural imports.

In the final analysis, with a level playing field, trade can be a much greater force than aid in reducing poverty in Africa. Yet the developed countries have consistently refused to level the playing field. The disastrous collapse of the EU-Africa Summit in December 2007 over disagreement over the heavily EU-biased Economic Partnership Agreement, the breakdown of the negotiations of the Doha Development Round in July 28 this year can only help further solidify the growing perception of globalization as colonialism. Without rebalancing the ‘unbalanced rules’, African countries cannot expect to benefit from expanded global trade.

❖ Streamlining ‘Conditionality’ in the Aid Architecture

In the post-1945 world order, development aid became an important vehicle of global politics.

And in the first forty years, the aid system resembled to some degree a competitive market, with both the East and West channeling aid to their respective clients in Africa. Since the end of the cold war, however, the aid system has grown increasingly monolithic. Both bilateral and multilateral aid policies were brought into alignment with a cluster of neoliberal precepts (i.e. Washington Consensus) and macro-economic approaches (i.e. structural adjustment) orchestrated by the IMF and the World Bank.

Initially, the impetus for restructuring African economies along free-market lines came in the context of a deep fiscal crisis (including the debt crisis) that broke open in the early 1980s. And as more and more African countries ran into difficulty to service their outstanding debts, conditional lending became the main instrument to open up African markets, dismantle many aspects of the African state and institute minimal democratic procedures deemed essential for the well functioning of the market. Despite donor rhetoric of 'national ownership' in aid-driven policies, recipient states became effectively captive to a system of international governance that is fundamentally unjust and unequal.

Almost three decades later, the role of the state in Africa has been significantly curtailed, the dominance of market forces has been set in place, and African economies have been wide open to external competition. Countries have made considerable efforts to improve their investment climate. They have liberalized their investment regulations and have offered incentives to foreign investors, such as permitting profit repatriation and tax incentives. Improvements in the regulatory framework for FDI have been buttressed in many countries by the conclusion of, or accession to, international agreements dealing with FDI issues, such as bilateral investment treaties (BITs), the Multilateral Investment Guarantee Agency (MIGA) and the Convention on the Settlement of Investment Disputes.

Despite implementing far reaching economic reforms, few African countries have achieved compelling results in terms of any of the indicators that measure real, sustainable development. Instead, most have slid backwards into growing poverty, inequality, ecological degradation and de-industrialization. Adjustment has been achieved by curtailing investment in education, social services to the poor, and in the productive sectors of the economy. A staggering number of Africans live in absolute income poverty, below one US dollar per day (now affecting at least 50% of the population). Growth in Africa has not yet led to substantial employment generation. Moreover, the expected surge of FDI into Africa as a whole has not occurred, notwithstanding the recent Asian investment surge in resource rich African countries.

The cumulative impact of externally imposed 'conditionality-driven' economic prescriptions in Africa has been the progressive erosion of policy space as African governments become more and more accountable to external creditors than to their own citizens. Africa's negative experience with globalization stands in stark contrast to the successful globalizers of East Asia who were able to engineer their development independently through careful investment in education, land reform, upgrading infrastructure, developing indigenous technological capacity under the guidance of a strong and capable 'development' state.

There is an urgent need to enlarge the range of country policy options and choices. First, there is a need for a more transparent donor conduct regarding the content and mechanisms of 'conditionality'. Second, donor governments have to cede some influence over their programs to national institutions if the views of African partners are to be taken seriously. This is a major challenge to some aid agencies—especially those whose decisions are highly constrained by their own domestic politics. It is also a challenge to the culture of aid agencies, which have been accustomed to controlling the ways in which their aid is used in Africa.

Way Forward for the New Africa

Can Africa ever achieve development? If yes when and how? My intellectual answer is yes and if only the recommended solutions are put into practice. To achieve development, African states have adopted a number of strategies which Claude Ake in Ojo (ed) (2000), has identified to include the following:

i. Increase and Diversification of Export Commodities:

Enunciated in the early years of independence; this strategy has continued to enjoy acceptance as an essential component of development strategy among African states. The appeal which this strategy seems to enjoy is based on the notion that it is a realistic option because it entails a redirection of development effort along lines perceived to be of least resistance.

Thus for example, development of African states is perceived to require a strategy that not only seeks to expand the production of agricultural export commodities for increased foreign exchange earnings, but as well, to escape the consequences of unfavorable terms of trade for primary products by opening up other production areas such as manufacturing.

ii. **Import substitution**

This strategy which has become an important cornerstone of development initiatives of African states became popular as a response to declining demands and earnings of primary products. Essentially the strategy of import substitution has also emphasized the policy of curtailment of foreign imports and the production of local substitute. It is argued that increased foreign exchange could be earned and domestic industrialization promoted. Import substitution has also been adopted as a development strategy on grounds that it is necessary to correct differences in the income elasticities for imports and exports.

iii. **Export Promotion:**

Another approach to development in Africa is the adoption of the strategy of export promotion. This strategy has been credited with a lot of advantages particularly if its pursuit requires less imported intermediate inputs. The strategy of export promotion is advocated mainly on the basis of how its policies may be useful in encouraging industrial development, diversification, economic self-reliance and better terms of trade. It is important to note that as a development strategy, export promotion aims at solving the same problems which are perceived to have been at the center of underdevelopment in Africa. These include dependency, unfavorable terms of trade inadequate foreign exchange earnings and low industrial base. It is visualized that these problems when effectively resolved through the advantages of export promotion, African countries would have been set to be launched into the orbit of development.

iv. **The unified approach:**

Some of the problems which have militated against the success of these strategies which some scholars have referred to as conventional approach to development led to the adoption of the unified approach a an alternative strategy for development. The unified approach is commonly traced to resolution 1499 (XLVIII) of the Economic and Social Council of the UN and resolution 2681 (XXV) of the UN General Assembly which stressed the need for development planning to integrate economic and social components in the formulation of development policies and programs. As originally conceived within the context of the resolutions that gave rise to it, the unified approach to development was to be guided by the following broad objectives:

- To leave no sector of the population outside the scope of change and development.
- To effect structural change which favours national development and activate all sectors of the population to participate in the development process.
- To aim at social equity, including the achievement of an equitable distribution of income and wealth in the nation;
- To give high priority to the development of human potential.

v. **Integrated Rural Development:**

In October 1969, an African Regional Conference on Integrated Approach to Rural Development was held at Moshi in Tanzania. One of the legacies of the colonial pattern of development in Africa is the contradiction between urban development and rural underdevelopment. The disparity between urban and rural conditions of life in most of Africa today is a sad reminder of rural neglect which characterized colonial development policies.

As a development strategy, integrated rural development is intended to redress existing disparities between rural and urban areas with respect to welfare conditions, social services and socio-economic opportunities.

vi. **Regional Cooperation, Integration and Collective Self Reliance:**

Adoption of strategy of regional cooperation by African states is based on their common resentment of their historical experience with slave-trade, and colonialism. It is also inspired by a common desire to develop an African state system that can save the continent from the increasing dangers of neo-colonialism. It is intended as a strategy for the consolidation of independence and Africa's economic recovery.

The strategy of regional cooperation has also been adopted to overcome problems arising from the fact that most of the independent African states are small, weak and economically poor to be able to develop on their own.

vii. The New International Economic Order:

This approach to development rests on the idea that much of the responsibility for effecting transformation and recovery of African economics entails concerted effort by all Third World countries, to ensure the establishment of a new world economic relations. This is borne out of the realization that under the existing world economic order, development possibilities are seriously constrained by the peripheral and disadvantageous role of African states. The call for a new world economic order is also borne out of the realization that the failure of policies and strategies such as export promotion, import substitution, diversification and industrialization to achieve African development objectives could be planned on constraints and contradictions inherent in the existing international economic relations for African states.

Conclusion and Recommendations

In order for globalization to have positive impacts on Africa's development, national governments must have the option to choose among appropriate fiscal, monetary, macroeconomic, trade and other economic and social policies without heavy-handed interference by the developed countries and the multilateral institutions these countries control. In short, a more democratic international economic and political environment is a sine qua non for sustained and broad based economic transformation to take place in Africa.

The challenges of globalization on economic development and democratic governance in Africa are numerous, multifaceted, and severe. African's response must therefore be well energetic and intelligent, if they most move to the next level of development and regain her position in the comity of nations, the following options must be considered;

- i. Economic development paradigms, models strategies and policies.
- ii. Institution building, leadership and development.
- iii. Action at the level of citizens and civil society.
- iv. Regional and international co-operation. All development strategies and policies followed by African countries are increasingly those formulated by outsiders, who are then critically imposed on African countries as a condition for aid, investment trade access, political and military support. All these policies and strategies are serving the interest of external forces – rather than those of the African people they claim to be assisting. All effort to challenge these behaviors has been prove aborted or abandoned. It is now time for African policy makers, academicians, representatives of civic society and other stakeholders to revisit these initiatives to determine what went wrong and why they were abandoned.

One of the consequences and causes of economic underdevelopment is the institutional underdevelopment, and this is particularly true in African case. Most African states are weaker today than the way they were when they got independence simply because of globalization. This trend should be arrested and reserved. All organs of the state must be strengthened, especially the judiciary organ to monitor the activities of corrupt leaders.

It is evident that the most important resources of any country are its citizens. African leaders should therefore concentrate their efforts on educating their people, sensitizing and educating them on their civic, social, economic and cultural rights and responsibilities and also empowering them, so that they could defend their rights and interest, while contributing fully to the overall development of their countries. To achieve these vital goals African leaders must put into consideration by investing heavily in building developing and maintaining their social capital especially health and educational facilities that cater for the masses rather than the elite who are parts of Africa's problem.

Given the fragility and weakness of most African politics, economics and societies, it is evident that if African states can successfully implement the series of reforms advocated above, development will be achieved in no distance time. Co-operation should start from the State level to sub-regional level and then to the regional level, as was advocated in the Lagos and Abuja plan of action treaty in recent time

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