Development in Africa

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Abstract
The purpose of the chapter is to analyze Africa’s economic successes in the past half century, to understand not only what made it possible but also and more importantly what risk factors may eventually bring it to an end or compromise it. While it may not be possible for Africa to alter, for now, its position in the world system, it may nonetheless create the conditions for sustained economic growth and development by deepening democracy, enhancing the stability of political regimes and by reducing the incidence of tropical diseases.

JEL Classification: O1, O10, O11, O15, O16, O19, 055

Keywords: Africa, development, world system, poverty, institutions, globalization, international organizations, FDIs, debt

1. Introduction
From the mid-1980s to the beginning of the new millennium, scholars have almost unanimously underlined Africa’s economic woes: economic recession (Shaw, 1986), mass poverty (Onimode, 1988), economic stagnation or decline (Ake, 2001), an absence of sustained growth in real export earnings (Svedborg, 1993), and rapidly escalating foreign debt (Jackson, 1985; Business Daily, 2018) have been identified as some of the salient features of a permanent and constantly worsening African crisis. Even those scholars who were willing to acknowledge that the African situation was not, and should not be reduced to, a ‘uniform developmental disaster’ often ended
up suggesting that Africa, after independence, had experienced more spells of crisis than anything else (Nzomo, 1996; Van de Walle, 2001).

Building on the work of Arrighi (2002), in the present chapter we plan to show that actually the African reality is more complex than the uniform or unconditional disaster discussed by the literature (Arrighi et al. 2010). Africa, as Arrighi (2002) underlined, had its fair share of success stories in the 1960s and in the early 1970s, and, after the crisis that plagued it in the 1980s and in the 1990s, experienced a new wave of developmental successes.

The purpose of the chapter is to analyze Africa’s economic successes in the past half century, to understand not only what made it possible but also and more importantly what risk factors may eventually bring it to an end or compromise it. To that end, we aim to identify and discuss the main drivers of growth across the region.

The chapter is divided into four sections. The first section presents some historical information on the performance of Africa’s economy. This section advances three basic claims: 1) that Africa’s economy intermixed years of economic growth with years of stagnation or contraction, 2) that there is significant cross-national variation as to how well the economy has performed in the Sub-Saharan region and 3) that from 1991 onwards Africa has had more success stories than in the 1960s and 1970s. The second section explores the conditions, domestic and external, that have facilitated Africa’s successful economic performance. Building on this analysis, the third section discusses whether Africa will be able to sustain its recent growth in the years to come or whether changes in domestic, regional and global arenas may derail the progress that Africa has so far made. The fourth and final section draws some conclusions and formulates some recommendations as to what could be done to secure strong economic growth and development in Africa.
Section One: Africa’s Success Stories

Arrighi (2002) in his analysis of the African crisis noted that Africa had had its fair share of success stories. Building on the work of Berthelemy and Soderling (2001), Arrighi (2002) argued that an economic success story could be equated to a period of strong sustained growth experience which, in its turn could be equated to a ten years period in which the economy had in any given year a 5-year moving average not lower than 3.5%. Figure 1 shows that African success stories occurred from the beginning of the 1960s to the mid-1970s but were followed by a crisis between 1980 and 1993. Thereafter another period of success was recorded before a period of slowing down from 2005 onwards.

Figure 1. Africa’s Success Story over a Period of 50 Years

The data in Table 1 shows that while we talk of Africa as a single entity, there are significant differences in the growth patterns of the various parts of the continents and also within each of these regions. The analysis reveals, first, that in Sub-Saharan Africa, there are what Arrighi called ‘success stories’ and that they have been more frequent in recent years than they had been in the past [see Table 1]. In fact, of the 49 countries of Sub-Saharan Africa 34 have enjoyed at least one ‘sustained strong growth experience’ since 1991. Only Burundi, Central African Republic, Ivory Coast, Comoros, Eritrea, Gabon, Gambia and Guinea Bissau, Madagascar,

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1 The data used to create all figures and tables in this chapter have been pulled from the World Bank’s latest database
Somalia, South Sudan, Swaziland, Togo, South Africa and Zimbabwe failed to have at least one sustained strong growth experience. Malawi had two such experiences, as shown in Table 1.

**Table 1. Periods of Sustained Growth in Sub-Saharan Africa**

<table>
<thead>
<tr>
<th>Start of growth period</th>
<th>End of growth period</th>
<th>Ongoing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991-95</td>
<td>Guinea, Malawi (1)</td>
<td>Benin, Burkina Faso, Botswana, Ghana, Mauritius, Namibia, Senegal, Uganda</td>
</tr>
<tr>
<td>1996-00</td>
<td>Cameroon</td>
<td>Angola, Ethiopia, Mali, Mozambique, Rwanda, Tanzania, Zambia</td>
</tr>
<tr>
<td>2001-05</td>
<td></td>
<td>Congo, Democratic Republic of Congo, Kenya, Mauritania, Niger, Nigeria, Sao Tome and Principe, Sierra Leone, Chad</td>
</tr>
<tr>
<td>2006-10</td>
<td></td>
<td>Djibuti, Liberia, Lesotho, Malawi (2)</td>
</tr>
</tbody>
</table>

This ‘sustained strong GDP growth experience’ started at different points in time. In some countries (Benin, Burkina Faso, Botswana…) it started in the 1991-1995 period; in other countries (Angola, Ethiopia, Mali…) it started in the 1996-2000 period; in a third group of countries (Congo, DR Congo, Kenya…) it began in the 2001-2005 period; and in a fourth group of countries (Djibouti, Liberia, Lesotho) it started in the 2006-2010 period. The reasons behind the timing of growth also varied across countries. For instance, while growth in Botswana was the result of a resource (diamond) boom, in Liberia, Somalia and Djibouti growth was mainly a consequence of a peace and stability dividend. Meanwhile in countries like Kenya, improved manufacturing and horticulture export earnings were responsible for growth.

There is some variation as to how long growth across the region lasted: it lasted about a decade in Guinea, Malawi and Cameroon; for about twenty years in Cape Verde, Equatorial Guinea and Sudan; while the growth in Benin, Burkina Faso, Botswana, Ghana, Mauritius, Namibia, Senegal and Uganda is still ongoing. This is the third interesting aspect of this new wave of success stories: 29 of the 34 success stories, from 1991 onward, are still ongoing. Sustainability is a
cause for concern as Africa’s growth has been mainly driven by either resource booms and/or the services sector. The former is exhaustible and susceptible to price fluctuations, and the latter is not inclusive as the services employ relatively few, highly educated people, especially compared to agriculture which employs the majority of Africans averaging 80% of the working population.

The countries where the ‘sustained strong growth experience’ has not ended can be subdivided into four groups. The first group includes those countries in which the economic growth in 2016 has been higher than 3.5 per cent. This group includes Benin, Burkina Faso, Rwanda, and so on. There is a second group of countries where economic growth, though strong, was below the 3.5 per cent level. The countries in this category include Botswana, Congo DRC, Lesotho and Namibia. In a third group of countries (e.g. South Africa and Zimbabwe) economies failed to grow and finally there is the group of countries where the economy suffered a severe setback and where it will be very hard to sustain the ‘strong growth experience’. In Nigeria the economy decreased by 1.54 per cent in 2016, in the Republic of Congo it decreased by 1.86 per cent and in Chad it dropped by 7 per cent. So, while there are many ongoing success stories, the evidence above clearly indicates that some of them may be soon coming to an end.

However, there is no doubt that Africa had more success stories from 1991 onward than it had from the early 1960 to the mid-1970s. To understand whether these success stories may continue in the future or not, we need to understand what made this success possible and what may prevent some African countries from remaining as successful as they have been in the recent past. The next two sections of this chapter will try to answer these questions.

Section Two: Explaining African Success

The International Factors

Africa’s success was the result of the interaction of several factors. At the international level, well before the adoption of the Millennium Development Goals (Sachs and MacArthur, 2005), which placed a considerable emphasis on promoting development and reducing poverty, the international community had changed its approach to development, developing countries, and, subordinately, to Africa.
The international community abandoned the traditional notion of development and the reductionist view that equated development with economic growth, realized that development is a multifaceted phenomenon which could be human, social and participative—and should be sustainable. Thus, it began to see that development is the product not only of economic but also of political and institutional factors—hence the whole debate about the dividends of good governance—and it adopted a new approach to lending as evidenced by the launch of the Poverty Reduction Strategy Papers (PRSP) (Craig and Porter, 2003).

The new approach of the international community towards poverty and development is evidenced by several steps that IOs have taken from 1990 onward. In 1990 the World Bank published ‘Making Adjustments work for the Poor’ (World Bank, 1990) and its World Development Report was entirely devoted to poverty reduction; the Conference of Rio (1992) identified the requisites for achieving sustainable development and adopted Agenda 21 which detailed what individual countries should do to make development sustainable, at the World Summit for Social Development held in Copenhagen in 1995 the UN (in collaboration with the UNDP) introduced the notion of social development, and in 1997 the UNDP developed the notion of Sustainable Human Development which provided the intellectual foundation or justification for creating the Human Development Index.

This new understanding of, and approach to, development, poverty aid and cooperation changed how developing countries were financed (from private sources such as foreign direct investment and from public sources such as bilateral and multilateral aid). The new development approach was also reflected in the way that the so-called ‘developed world’ treated the foreign debt that had had a devastating impact on African economies for most of the 1980s (Greene, 1989). The international community came to realize, as scholars had already made clear (Helleiner, 1992), that debt relief was a necessary condition for securing sustainable growth and development.

In the wake of the Naples’s G7 summit, held in 1994, the Club of Paris deliberated a reduction of 67 per cent of developing world foreign debt and in 1996 World Bank and IMF launched the Highly Indebted Poor Countries Initiative which was designed to bring developing countries’ foreign debt to an acceptable level. In other words, the international community reduced the debt on the one hand and provided more aid on the other. Sub-Saharan Africa, which had received 17.8 billion US dollars in aid in 1990, received 47.7 billion in 2013, 46.6 billion in 2014 and 45.8
billion in 2015—which means that even if the amount of aid has started to decrease from its 2013 peak, it is still more than twice what it had been in 1990 (Figure 2).

**Fig. 2. Net Official Development Assistance Received**

![Net official development assistance received](image)

So, the first reason why the economic fortunes of African economies started improving from the early 1990s onward is that the International Community’s Approach to Development and Developing Countries had started to change as evidenced by the elimination of debt and the increase in international aid.

**Globalization**

Globalization also contributed to the economic success of Sub-Saharan Africa, though some have noted that globalization’s contribution to development has not been matched by a corresponding contribution to poverty reduction (Datta, 2003; Asongu, 2013; Asongu & Nwachukwu, 2017a, 2017b; Tchamyou, 2018). Capital seeks profit-making opportunities, and the economies of poor developing nations often have greater growth potential than the economies of already industrially advanced nations. The prospects of making higher returns in developing countries are a necessary but in themselves insufficient condition for attracting capital, however. Capital also needs security as investors tend to discount the profit opportunities by the risk associated with a given investment.

But as the international community started providing aid to developing countries, and as developing countries increased their level of good governance, the risk associated with investing
in developing nations started to decline and Sub-Saharan Africa became increasingly more attractive for international capital than it had been in previous decades (Asiedu, 2006; Morisset, 1999; Asongu & Nwachwuku, 2017c, 2017d). Thus, while international aid increased by roughly 268 per cent from 1990 and 2013, when it reached its peak, the net inflow of foreign direct investment in the same period grew by more than 3800 or 38 times from 1.22 billion in 1990 to 46.8 billion in 2014 (Figure 3).

**Fig. 3. Foreign Direct Investment, Net Inflows**

So, globalization, by liberalizing financial markets and allowing the free movement of capital, was instrumental in helping Sub-Saharan Africa to attract much-needed foreign capital. And as the inflow of FDI increased, so did the African economies from 1990 onwards (Adams, 2009).

**The Demise of the Old International Political Order**

A third global factor played a role, and quite possibly a crucial one, in creating the conditions for Africa’s economic success in the 2000-2015: the end of the Cold War. With the collapse of the Soviet Union and the end of the bipolar order (West v Communist Bloc), Africa was freed from its previous incarnation as a proxy front in the Cold War. As Fage (1995: 531) explains, “the Soviet Union and other eastern bloc regimes … could no longer afford to subsidize satellite states in Africa or to seek strategic allies there. It followed that there was no practical advantage to be gained by an African government asserting that it governed according to Marxist principles, and from 1989 onwards Marxism ceased to be the official political philosophy of the
rulers of such countries as Mozambique and Ethiopia.” At the same time, Western governments no longer felt compelled to support the unpopular dictatorship that had sided with them during the Cold War (Fage 1995:531).

And that’s precisely when the ‘third wave’ of democratization (Huntington 1990), that had already spread through Southern Europe, South America and South East Asia, swept across the African continent in conjunction with the ‘good governance matters’ message that the international organizations were now preaching across the region. The ‘good governance matters’ agenda served three different purposes. First, as we have already mentioned, it was an essential feature of the PRSP approach. With the launch of the PRSP agenda, developing countries were no longer given funds to implement the Washington agenda, which, in times of crisis, would erode the legitimacy of international organizations, but were told instead to identify their needs, to draw a plan as to how those needs could be successfully addressed, and to request appropriate funds to implement the locally-owned plan. The only constraint—as there is no lending without at least some conditions—was that they made some progress in improving the quality of government or in the level the of good governance: better rule of law, better regulatory qualities, more stability, less corruption, more accountability and more government effectiveness.

Second, the ‘good governance matters’ agenda, by ensuring that countries had a genuinely good reason – money – to improve their level of good governance, signaled to international investors that the risks associated with investing in these countries was decreasing. And this in turn, as we have already mentioned, created the conditions for a massive increase in foreign direct investments. Third, the ‘good governance matters’ agenda served, surreptitiously, another purpose, that of promoting the substance of democracy (voice and accountability) without having to use the “d-word,” which remained rather unpalatable for those political leaderships that were not keen to forfeit the possibility of endless terms in office.

The third wave of democratization brought democracy to Cape Verde, Ghana, and Nigeria in Western Africa; it brought an end to apartheid in South Africa; and Rwanda, in Central Africa, was converted to a thriving democracy in the wake of the genocide. Consequently, Africa found itself with more and much improved democracies, which amounts to saying that the level of
good governance in many African countries increased. More aid arrived to support these changes, and all of this contributed to attracting more foreign direct investments.

A Changing World Economic System

For many years now scholars have debated whether US has declined (Wallerstein, 2003) or whether the rest of the world has caught up (Zakaria, 2008); whether or not the world is still unipolar; and whether the West, with its ideas, ideals and technology, is still far ahead of the Rest or, on the contrary, whether there are some important things that the West could learn from the Rest (Mahbubani, 1992).

The only radical variation on these and related themes was provided by Negri in some of his writing (2008) when he noted that the juxtaposition of West and the Rest, of a global North and South, neglected the fact that there are pockets of Third World underdevelopment in countries that are considered to be socioeconomically advanced while there are pockets of First World luxury in countries that are considered to be developing nations.

But in spite of these debates about whether the West is still ‘the best’, the evidence allows us to make two at least three uncontroversial observations: first, the West (US plus Europe) is still the richest part of the planet; but, second, the gap between the West and the Rest (in economic and technological terms, if not yet militarily) is narrowing; third, this shift has occurred primarily because of the rapid rise of Asian countries.

The rise of the East was apparent from at least the late 1980s, when many believed that the Japanese economy could eventually outperform the American one. The rise of Asia was once again rather unmistakable when Paul Krugman (1994) debunked the idea of an Asian economic ‘miracle’, suggesting the region’s rapid growth bore parallels to the massive mobilization of resources by the Soviets in the 1950s. The rise of Asia was reaffirmed when over the past fifteen years or so China has established itself as the most economically dynamic place on the planet (Babones, 2011). The numbers of China’s economic success are staggering: in 1960, China’s GDP amounted to roughly 4.4 per cent of the global GDP, in 2016 China’s GDP amounted to 14.8 per cent. And, as China’s economy grew China established itself as a regional hegemony in Asia, became the world’s second largest economy, and was instrumental in accelerating Africa’s economic growth (Zafar, 2007).
China’s success contributed to Africa’s economic performance in three ways. First, as China developed it required increasingly large amounts of resources, especially commodities, and demands for Africa’s exports increased accordingly. Africa may not have exported sophisticated goods with high value added, but exporting increasingly larger amounts of increasingly more expensive commodities greatly contributed to the region’s rapid economic growth from 2000 to 2015. Second, as China developed it, started investing in the African continent: China invested in the construction of infrastructures and provided aid without the kind of conditions that sometimes made aid (and loans) from the West (or West-dominated international organizations) much less attractive. Thus, trade with China, aid from China and Chinese investments were the fourth element that contributed to creating the conditions for Africa’s economic success at the beginning of the new millennium.

The Domestic Factors: State Stability and Improving Healthcare

The end of the Cold War, the rise of China, a new understanding of development, more aid and more investment all contributed to Africa’s economic success. But while these were necessary for creating the conditions for sustained strong economic growth, they were in themselves insufficient. These favorable conditions at the global level were able to have a positive impact on Africa’s fortunes because African countries were also undergoing significant changes for the better at the domestic level.

The most important of which was that African countries in general, and Africa as a whole, were becoming more stable. Polity IV computes the State Fragility index for virtually all countries in the world, including 47 countries from Sub-Saharan Africa. The index is a composite variable which includes indicators to capture state effectiveness, legitimacy and resilience. In the 1995-2015 period state fragility index scores increased in only three African countries: South Sudan, Central African Republic and Ivory Coast. Index scores remained constant in Eritrea, Guinea, Guinea Bissau, the Democratic Republic of Congo and Zimbabwe, while in the other 39 cases, state fragility decreased.

Major episodes of armed conflict and adverse regime changes, which peaked in the 1990s, declined. With greater political stability, in some cases with higher quality democracy, Africa was able to capitalize on favorable international conditions.
The final factor that contributed to the economic success of Sub-Saharan Africa was the improvement in public health. According to the Atlas of African Health Statistics, Sub-Saharan Africa improved in nearly every respect: government health expenditures increased, utilization of health services increased, and fewer deaths were caused by factors such as HIV/AIDS, respiratory infections, diarrhea diseases, malaria, stroke, birth complications, ischemic heart disease, protein-energy malnutrition and meningitis.

Africa started growing and, as we have shown, was able to sustain its strong growth experience, and it made substantial progress along the developmental path as evidenced by the fact that infant mortality dropped from 108.5 per thousand in 1990 to 56.3 per thousand in 2015, life expectancy at birth has increased from 49.9 years to 58.9, while GDP per capita has increased from 607.3 dollars in 1990 to 1592.2 dollars in 2015.

While Africa remains poor, it has developed and, in doing so, it has created wealth. At least some of this wealth has percolated through the society, which is why, regardless of how one measures development, one can detect significant improvements. Unfortunately, however, and in large part because of the persistence of serious corruption, much of the wealth that has been generated has not been effectively redistributed or used in ways that are socially efficient.

In summary, as Arrighi (2002) correctly pointed out Africa is not a ‘uniform developmental disaster’ where the current problems represent a sort of endpoint of a persistent economic crisis. Rather, Africa has had its fair share of success stories before the colonial times, in the course of the process of decolonization (which went hand in hand with the sustained strong growth discussed by both Berthelemy and Soderling (2001) and Arrighi (2002), and in the wake of what has been described as the ‘African crisis’ or ‘tragedy’ (Leys, 1994).

But precisely because Africa has not managed in the past to capitalize upon its success, it is worth investigating whether and to what extent Africa will be able to capitalize upon its current economic success. Thus, we might ask: what are the main threats to sustaining strong growth in the years to come? And what solutions could be adopted to minimize such risks?
Section Three: Africa at a Crossroads?

The International Factors

Africa’s economic progress in the 2000-2015 period was facilitated by several favorable conditions at the global level: the Cold War had ended, China was rising, the world powers and the international community were keen to promote development and eradicate poverty in developing nations, aid money to Africa nearly tripled, commodity prices soared, and the net inflow of foreign direct investment grew by about 3800 per cent or by roughly 38 times.

There are several reasons to believe that the situation may already be changing. The economic crisis that took such a heavy toll of the accounts of many advanced economies reduced the amount of money that these governments can commit to aid purposes, and the volume of aid money has already started to shrink.

This aid money, which we measure on the basis of net development assistance received, more than tripled between 2000 and 2013, growing from 13.05 billion in 2000 (nearly 4 billion less than in 1990) to 47.7 billion in 2013. But this amount has been shrinking ever since, it declined to 46.6 billion in 2014 and to 45.8 per cent in 2015 and given the new approach to development and Africa of the new US Administration, there is every reason to believe that aid money may decline even more in the next few years. In two years, aid decreased by 1.9 billion, an amount greater than Cabo Verde’s or Djibouti’s GDP in 2016, more than 3 times the GDP of Comoros in 2016, more than 7 times the GDP of Sao Tome and Principe, and as large as the GDP of Comoros and Seychelles combined.

So, in so far as aid money was instrumental in fostering and sustaining growth in Africa, the decline in the aid money represents an alarming development for the continent. Globalization allowed Africa to attract more FDI. Whether Africa will be able to attract such levels of FDI in the future remains to be seen, but what it is clear is that the volume of foreign direct investment has declined since reaching its peak. In fact, after growing for years and peaking in 2014, foreign

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2 The US government, at the moment, does not seem to have a strategy for Africa but it has repeatedly indicated that aid is mostly a waste of money. The ‘America First’ manifesto proposed cutting the amount of US aid and eliminating several programs, initiatives and foundations. As these proposed cuts were mostly rejected by Congress (http://allafrica.com/stories/201703210483.html), the President has promised to push for more cuts to aid in the next budget (http://allafrica.com/stories/201705030377.html).
direct investment decreased a little in 2015 and dropped dramatically in 2016 when it reached a value corresponding to 5.3 per cent of the 2014 amount.

Finally, the rise of China, with its appetite for commodities, favored Africa’s integration into the world economic system and its economic improvement. But even in this respect some changes have occurred. The pace of China’s economic growth, which had been rapidly growing since the late 1970s, reached a peak in 2007 and then its growth rate started decelerating. After recording a 14.2 per cent growth rate in 2007, China’s economy grew by 9.6 per cent in 2008, 9.4 per cent in 2009, 10.6 per cent in 2010, 9.5 per cent in 2011, 7.8 per cent in 2012, 7.7 per cent in 2013, 7.3 per cent in 2014, 6.9 per cent in 2015 and 6.7 per cent in 2016. Hence, in so far as the speed of China’s economic growth is a determinant of Africa’s exports, the slowing down of China’s economy suggest that Africa may not be able to export as much as it did when the pace of growth in China was accelerating. Moreover, as the demand for commodities declined, their price declined accordingly—which means that instead of exporting more for a higher price, Africa may be exporting less for a lower price. And this change may be rather detrimental. for countries where government expenditure is the single most important if not the only engine of growth, smaller revenue means either less expenditures (and thus less growth) or an expansion in the deficit or both.

**The Domestic Factors**

We have noted that Africa’s economic success was enabled by both international and domestic factors. More political stability, more democracy, increased levels of FDI, and better health conditions were all instrumental in securing that African economic would grow. The first, and perhaps most important, domestic determinant of sustained strong growth was identified as the stabilization of the region.

In this regard we noted that in 39 of the 47 Sub-Saharan Africa for which the State Fragility Index is computed, state fragility decreased from 1995 to 2015. But a closer inspection of the data seems to suggest that while it may not yet be accurate to speak of an ongoing wave of destabilization, there are signs that Africa’s stability may not be as enduring as one might have hoped. In 2012, state fragility increased in Swaziland and South Africa, in 2013 state fragility increased in five countries (Benin, Central African Republic, Eritrea, Gambia and Senegal) and has not declined since; in 2014 state fragility increased in the Ivory Coast and Lesotho; and in
2015 state fragility increased in six countries (Burkina Faso, Burundi, Cameroon, Central African Republic, Ghana, Niger, Tanzania).

African states are still, in the aggregate, less fragile than they had been in the mid-1990s, but in a growing number of cases state fragility, and with it the ensuing risk of instability, is on the rise. The increasing instability is due to quite different drivers, however. For example, Somalia, northern Mali, along with parts of Cameroon, Nigeria and Kenya, have been destabilized by terrorism; Kenya has also experienced instability as a result of the conduct of its presidential elections; the Democratic Republic of Congo has been destabilized by the presence of refugees who came from Rwanda following the 1994 genocide and have since formed armed groups, as well as by the fact that the President is engaging in all kinds of tactics to prevent the country from holding the election that was originally scheduled for 2016.

So there is no single reason why African countries are becoming more fragile and unstable. But, whatever the drivers, in so far as political stability is one of the domestic factors that set the scene for Africa’s economic success in the 2000-2015 period, destabilization may have severely negative consequences for the performance of African economies.

What’s more, Africa is still grappling with severe corruption that continues to hold her back. According to a 2002 African Union study, the cost of corruption to the continent is roughly $150 billion (Hanson, 2009). This number is huge especially when it is compared to an aid flow of $22.5 billion that the developed world provided to Sub-Saharan Africa in 2008 (Hanson, 2009). The direct costs of corruption in the region include, but are not limited to, inaccessibility to public services by the poor and increased costs of doing business, both of which have a bearing on the ability of the continent to develop (Tchamyou, 2017).

In addition, Sub-Saharan Africa’s ills are entrenched on the fact that the region has weak institutions (Van de Walle, 2001). Following its colonial inheritance, post-independence Africa pursued institutions that centralized political and economic power, concentrating it within the connected few, usually of the same ethnicity, party affiliation and class (Gumede, 2012). This has undermined governance in the continent, leaving it prone to corruption issues talked about earlier and managerial incompetence.
Another burning issue hampering economic development in the continent is the ever-swelling debt. Indeed, according to Business Daily (2018), lending to the continent has more than quadrupled since the 2008 global financial crisis. This increase in debt initially came about as a result of quantitative easing and low interest rates in the West during the crisis. However, with the crisis arrested, interest rates have been on the rise (see Daily Business, 2018), making these loans currently a lot more expensive. At the time of the transactions, Africa counted on a forecasted commodity boom only for the anticipated windfall to dissipate. The result has been brutal to most of African countries. For instance, the debt owned by Kenya has increased by 32%, by 57% in Uganda, by 63% in Tanzania and by a massive 299% in Mozambique in the same period (Business Daily, 2018).

**Democracy**

Some African countries (Ethiopia) were able to experience authoritarian modernization (Joseph, 2014) along the lines envisioned by Huntington (1968). But in so far as democracy had been instrumental in creating the conditions for sustained strong growth in the continent, by the middle of the second decade of the new millennium the situation was deteriorating, with democracy on the retreat (Joseph, 2014).

According to Freedom House (2017), in the course of the 2007-17 period six of the ten countries which experienced the worst decline in the level of democracy were African countries (Central African Republic, Gambia, Mali, Burundi, Mauritania, Ethiopia). In 2016-17, there was a net decline in the quality of democracy in 21 African countries and, Freedom House noted (2017:11), “some of the stronger democracies in Southern and East Africa exhibited worrying signs of dysfunction during the year.” In so far, a democracy is good for development, the contraction of democracy across the continent may prevent further economic and developmental success in the years to come.

**Health**

Improvement in the health of the region’s population was the final factor that facilitated Africa’s economic success in the first decade of the new millennium. However, from 2015 onward, some of the progress made in the 2002-2012 period, in terms of public health, is coming undone. Cholera seems to be on the rise: from January 2015 to July 21, 2017 there have been 44,415
cases of cholera in the Democratic Republic of Congo; from April 2015 to July 2017 there have been 30,231 cases of cholera in Tanzania; from October 2016 to July 2017 there were 1,206 cases of cholera in Kenya; and sharp rises in several other countries including Angola and Nigeria. There have been recent outbreaks of acute hepatitis E in Chad, Niger, and Nigeria; measles in the Democratic Republic of Congo, Ethiopia and Kenya; dengue in Ivory Coast, Kenya, Seychelles and Togo; food insecurity in Kenya, Madagascar and Uganda; humanitarian crises in Cameroon, Central African Republic, Ethiopia, Mali, Nigeria and South Sudan; and of course malaria which has infected more than 4.8 million people in Burundi alone since 2015.

These diseases are not necessarily deadly and, thanks to the improvement of the health sector, their deadliness has declined. But large-scale epidemics can have profound economic consequences. The Ebola outbreak that hit Guinea, Liberia and Sierra Leone, from 2014 to the end of 2015, had a devastating impact on these economies. And there is every reason to believe that the recent malaria epidemic in Burundi, which has affected nearly 50 per cent of the population, may also have a hugely detrimental impact on the Burundian economy. Hence, the failure to prevent and possibly eradicate such diseases may continue to threaten African countries’ ability to sustain and prolong their economic growth experience.

**Section Four: Conclusions**

In the course of this chapter we have advanced three claims: that Africa has experienced an almost unprecedented (by its standards) level of economic success in the first fifteen years of the new millennium; that this success was made possible by a combination of domestic and supranational conditions; and that some of the enabling conditions that supported Africa’s growth and development in the new millennium may be disappearing.

Given Africa’s position in the world system, it may not be able to create, in the international arena, the conditions that could favor its economic performance. But African countries do have the ability to prevent the enabling conditions at the national level from disappearing. In this respect, African states should be attempting to secure the stability of their political systems and the consolidation and deepening of democracy; and they need to do more and better to reduce the incidence of tropical diseases. Development may need more than a healthy population in a stable democracy, but these conditions should be considered among the most basic of requisites.
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