

AFRICA'S QUEST FOR SUSTAINABLE DEVELOPMENT IN THE ERA OF GLOBALIZATION:

A POLITICAL ECONOMY PERSPECTIVE

Alemu Asfaw Nigusie

Bahir Dar University, Ethiopia

ABSTRACT

The main objective of this paper is to examine how the structures of the global political economy have influenced and are still influencing Africa's past and present quest for sustainable development by employing a political economy perspective (i.e., aid, trade, and investment). The paper argues that Africa's integration and marginalized position in the global economy has made it and would make it very difficult for the continent to implement and achieve sustainable development initiatives, as its development agenda and destiny has been dictated from afar by its old and new external patrons. Europeans have been influencing Africa's development initiatives through like Structural Adjustment Programs (SAPs), the Poverty Reduction Strategy Paper (PRSP), and Preferential trade agreements (PTAs). Similarly, the emerging cooperation between Africa and the global south is based on diplomatic interest and economic imperative that is based on the principles of neo-liberalism. Hence, the way forward is that African statesmen should bear in mind the fact that there is no short cut to sustainable development and must work hard and bring substantive changes at how things run at national, regional, and global levels.

Keywords: Africa, Sustainable Development, Globalization, Marginalization, Global South, Global North

INTRODUCTION

The concepts of ‘sustainable development’ and ‘sustainability’ have entered the public knowledge and discourse very recently. It was the 1987 UN World Commission on Environment and Development (WCED) publication titled *Our Common Future* (also called the Brundtland Report) that infused these terms for the first time. The Commission defined sustainable development as a “development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (Emas, 2015, p. 1). This definition tries to integrate economic growth with that of environmental concerns and it is deeply rooted in the sustainable use of natural resources for the current as well as future generation; and as such, such understanding rejects the hitherto development approach that focused solely on economic prosperity and physical wellbeing, without any attention to environmental issues (Boon, 2016, p. 2).

However, the notion of sustainable development (SD) still lacks precise definition and consensus among scholars and organizations (Duran, et al, 2015, p. 814), making it vague and contested (Desta, 1998, p. 494). According to Desta (1998), the vagueness of the WCED definition of sustainable development has made the term to be highly instrumental and politically expedient and open to diverse spectrum of definitions and interpretations (p. 518). Likewise, as Ahenkan & Osei-Kojo (2014) noted, “there are about sixty definitions for SD, and the sheer number of definitions ... is suggestive of the chronic debate over its definition” and these different interpretations also appear to be confusing (p. 164). In fact, the debate over the definition of SD can be categorized into two groups: between those who follow the Three Pillars Approach- emphasizing the social, ecological, and economic dimensions and those with a more dualistic typology-emphasizing the relationship between nature and humanity (Gibson, 2001, cited in Ahenkan & Osei-Kojo, 2014, p. 164). Also, “in spite of its popularity and rapid acceptance by some members of government, civil society, countless companies and many cities, the concept of sustainable development has not yet translated into widespread changes in either behaviors or policy” (Strange & Bayley, 2008, p. 32). Finally, Nwankwo, Chaharbaghi & Boyd (2009) argued that “while the notion of ‘sustainability’ is generally appealing, its precise content has remained elusive. ... As a result, discussions of SD to date have become substantially rhetorical rather than providing clear action guidelines” (p. 120).

Despite these limitations, sustainable development is now popular concept and has moved to include not only economic and environmental issues, but also social concerns. Thus, the concept aims to integrate the ‘three pillars,’ namely, society, the economy and the environment (Strange & Bayley, 2008, p. 27). As to Emas (2015), “The overall goal of sustainable development (SD) is the long-term stability of the economy and environment; this is only achievable through the integration and acknowledgement of economic, environmental, and social concerns throughout the decision making process” (p. 2). In short, sustainable development is defined as “a holistic concept that combines aspects of natural, social and economic being involved in two big problems of mankind: the ability to create and to maintain” (Duran, et al, 2015, p. 814).

The notion of sustainable development has achieved global importance and become a global mantra. This can be reflected in the emergence of the so-called Sustainable Development Goals (SDGs) (2015-2030) as a global blueprint for development, by succeeding the Millennium Development Goals (2000-2015). In the preamble, *Transforming Our World: The 2030 Agenda for Sustainable Development preamble*, UN reaffirms commitment to the three pillars and states that this “Agenda is a plan of

action for people, planet and prosperity”. The 17 Sustainable Development Goals and its associated 169 targets are assumed to be “integrated and indivisible and balance the three dimensions of sustainable development” i.e. economic, social and environmental dimensions (UN, 2015, p. 5). SDGs are understood to be “global in nature and universally applicable, taking into account different national realities, capacities and levels of development and respecting national policies and priorities” (UN, 2015, p. 16). Furthermore, SDGs allows countries to set out their own national targets guided by the global level of ambition, but taking into account national circumstances.

Accordingly, Africa, which has long tried to adopt sustainable development policies and practices, has endorsed and started implementing the SDGs. Many African countries have attempted to design and implement SD initiatives that have national character. For instance, the initiatives taken by Ghana (the Ghana Poverty Reduction Strategy (GPRS I and II) and the National Environmental Policy (NEP)), Tanzania (the National Development Vision (NDV) 2025), Egypt (the National Strategy for Solid Waste Management) (Ahenkan & Osei-Kojo, 2014, pp. 163-164), and Ethiopia (Growth and Transformation Plan (GTP I and II)) are cases in point. Yet, African states along with other developing countries have faced challenges in their pursuit of sustainable development and, hence, become vulnerable to many internal and external pressures (UN, 2015, p. 10). Africa, especially Sub-Saharan Africa, has faced severe economic, environmental, social, and political challenges that obstruct its sustainable development activities. Thus, despite some progress, Africa still suffers from multi-faceted problems, namely, very limited intra-Africa trade (around 10%); the predominance of primary goods for export; very limited role of the private sector (around 5%-8%); negligible share of Africa in the global trade (around 3%); the perpetuation of extreme poverty (Ahenkan & Osei-Kojo, 2014, p. 166).

Cognizant of this problem, Africans have launched a document that reiterates the progresses and failures made during the MDGs and the need for an improved, clear, and common development agenda for the period after 2015. In its *Common Africa Position on the Post-2015 Development Agenda*, AU member states have unequivocally stated the idea of collective interests in the pursuit of structural economic transformation for inclusive and people-centered development (AU, 2014, p. 6). In this document, Africa has identified structural economic transformation and inclusive growth; science, technology and innovation; people-centered development; environmental sustainability natural resources management, and disaster risk management; peace and security; and finance and partnerships as its guiding principles as well as development priorities (AU, 2014, p. 7).

Africa’s sustainable development vulnerabilities emerge out of at least from two issues. The first issue is related to the external origin of the term and lack of knowledge ownership and production of the concept of sustainable development. As Nwankwo, Chaharbaghi & Boyd (2009) argued,

much of the prescriptions for making progress on SD are soundly rooted in western subjectivities; framed in opinions, languages and meanings that are poorly communicated to and understood by the people. With limited context-bound knowledge production of SD, African realities are insufficiently appreciated especially in the development of a solid conceptual foundation for producing clearly defined policies. (p. 120)

The second, on which this paper builds on, is linked to the mechanism suggested how to achieve the SDGs. UN (2015) has identified such tools, *inter alia*, as trade, aid, and investment as the main methods through which sustainable development goals could be realized. This in turn implies that UN sees partnership and cooperation through neo-liberalism economic philosophy as a solution to the many problems our world finds its self in. More importantly, it explicitly stated respect for country's policy space and leadership, which are taken as the basic ingredients to "establish and implement policies for poverty eradication and sustainable development" (UN, 2015, pp. 30-32). However, unlike the UN suggestion, evidence (discussed below) shows us that the same political economy tools (trade, aid, and investment) that are supported by the UN are the ones through which old and new external African partners pushing for their own economic interests at the expense of Africa, albeit with divergent approach; and thus, perpetuating the marginalization of the continent and at the same time making it very difficult for the continent to implement and achieve sustainable development. Thus, what UN (2015) advocates for policy space and independence of countries in their pursuit of development policies appears to be hard to come by and doomed to remain a dream to achieve, particularly for poor and developing countries of Africa.

Under globalization and accelerated economic integration, a restructuring of production, trade, and services; a changing hierarchy of countries; and emergence of powerful states and regional blocs in the global division of labor is taking place. In this regard, the Asia Pacific zone, the European Union, and the North American Free Trade Agreement (NAFTA) zone have emerged powerful, while Africa and other developing countries have found themselves lagging behind these groups. (Mittelman, 1996, pp. 229-234). As such, the economically and politically powerful states shape the destiny of the rest of the world, making the globalized world unequal to all its participants. As Fantu (2009) observed, "the current international economic and governance architecture plays a key role in determining which countries are free to control their economic destiny" (p. 278) and are in a better position to achieve sustainable development.

Accordingly, when it comes to Africa, it has been argued that the continent has been integrated in the global economy at least since the middle of the 19th century with the colonization of the continent, albeit in a different form and intensity (Ake, 1996; Farah et al., 2011). Yet, it is located at the bottom of the hierarchy of the integration ladder playing a marginal role mainly on account of its development destiny that has been dictated from afar by its old and new external patrons (Fantu, 2009) as well as its protectionist and unwelcoming economic policies (Ajayi, 2003). As such, at present, the continent is said to be suffering from the multiple byproducts of economic globalization like low prices for its primary products, limited and constrained market access, huge debt burden, and economic and political conditionality (Fantu, 2016). This in turn has severe implications on the realization of sustainable development.

Therefore, the main objective of this paper is to examine how the structures of the global political economy have influenced and are still influencing Africa's past and present quest for sustainable development and recommend some possible solutions thereof. This paper is essentially a literature review of some of the major works written on Africa and globalization. Thus, methodologically, it followed a qualitative document analysis method of analysis. Such kind of analysis involves interpretation of the texts or documents and looks for context and meaning in the process (Wesley, 2010). In the work of Harrison (2001), qualitative document analysis is also identified as semiotics. This type of analysis "proceeds by isolating sets of codes around which the message is constructed . . . These codes constitute the 'rules' by which different meanings are produced and it is the

identification and consideration of these in detail that provides the basis to the analysis” (McRobbie, 2000, p. 77 cited in Harrison, 2001, p. 119). In this paper, therefore, an interpretation of documents was conducted to understand and explain Africa’s pursuit for sustainable development in the era of globalization by employing a political economy perspective. The remaining pages of the paper are divided into two sections. While the first section provides an analysis of Africa’s partnership with old and new external actors as well as its marginalized position in the international division of labor, the second section deal with the recommendations for African states to get out of this swamp.

AFRICA’S POSITION IN THE GLOBAL ECONOMIC ORDER: INTEGRATION AND MARGINALIZATION

To have a clear picture of the influence of globalization on Africa’s sustainable development policies and practices, as Fantu (2009, 2014) argued, we need to look into the theoretical assumptions, institutions and tools that buttress the North-South and the South-South relations in general and the aid, trade and investment regimes in particular that the external forces strategically employ to regulate the African development and position in the global division of labor hierarchy.

The post-independence period is the ideal period to start the investigation into how the developed world influences Africa or how the African position is regulated in the global economic order. Following the works of Madavo (2005), Fantu (2009, 2016), and Sy (2016), the dynamics of African economic success and its associated external influence can be roughly categorized into three major periods: 1960s-1980s, 1980s-1990s, and since 1990s. And it was during the second and the third periods that we see the pervasive influences of globalization in Africa.

One of the mechanisms by which the West regulated African development and its integration into the global economic system was through the Structural Adjustment Programs (SAPs) that came in two phases since the 1980s. The SAPs were introduced into Africa as a remedy to the declining economy of the continent. But, before the reign of the SAPs, the African economy is assumed to have recorded impressive economic results between the 1960s and early 1970s, the people were enjoying the fruits of this development, and expectations were high (Fantu, 2009, 2016; Madavo, 2005; Sy, 2016).

But, in the 1970s, the African economy was in decline as a result of the external shocks. For instance, the price of oil increased and the terms of African trade for its primary non-oil commodities deteriorated. To compensate this dwindling revenue, the African elite went to massively borrow money from outside sources like IMF and World Bank. Nevertheless, the economic woo continued and most African economies were suffering from stagnation, contraction and decline by the 1980s. And this dismal economic condition called for the Bretton Woods institutions’ (IMF and World Bank) intervention through the controversial and destructive approach called Structural Adjustment Programs (SAPs) (Madavo, 2005; Fantu, 2016).

Essentially, the SAPs were the Trojan horse of “Washington Consensus” that demanded governments to reform their policies, particularly to (a) pursue macroeconomic stability by controlling inflation and reducing fiscal deficits; (b) open their economies to the rest of the world through trade and capital account liberalization; and (c) liberalize domestic product and factor markets through privatization and deregulation (Gore, 2000, pp. 789-790). In short, the core elements of the SAPs that echoed the ascendancy of neo-liberalism paradigm, which represented the ‘end of history’ for Fukuyama (1989), were economic and political liberalization. To this end, SAPs were enforced in earnest in many African states.

However, SAPs were a debt strategy, not a development strategy and as such emphasized on how the indebted African countries were going to repay the debt, not how Africans were going to develop. Put it otherwise, the guiding principle of the donor countries was to keep the indebted countries to float, not to address the root causes of the crisis. As such, the policy package recommend did not take the local African condition into consideration; lending became conditional and states were obliged to conform to the conditionality's of the lending institutions; and lastly, states were forced to cut subsidies. Subsequently, the consequence of SAPs was severe on Africa at economic, social, and political levels. For instance, inequality, unemployment and poverty increased; Africa's infant industries were obliterated; and above all, states appeared to surrender their sovereignty to the creditors as the latter became the policy makers and Africans became more accountable to them than to their people. And this disturbing remote-controlled and policy-controlled loss of sovereignty, as to Fantu (2009, 2016), alludes more to recolonization, rather than development.

In fact, Loxley's (1990) study of the experience of Ghana and Zambia with the structural adjustment programs has questioned the appropriateness of the program in the African context. This is because Loxley showed how his two cases, Ghana and Zambia, were treated differently, whereby Ghana was presented as successful and served as the poster-child of the supporters of SAPs, while Zambia taken as a failure (mainly because it did not implement SAPs according to the prescription). Above all, he demonstrated the impossibility of replicating Ghana's success in other parts of Africa, the gloomy economic future of Ghana despite its short-term success and finally the flaw that was involved during Zambia's SAPs policy design that led to its failure and abandonment of the programme.

Yet, there was a deliberate effort (like manipulation of the data) by SAPs patrons to show Ghana as a successful country that adopted the programme so that SAPs could remain legitimate in Africa and other states could follow suit. Ascher's (1996) study illustrated how external intervention in national economic planning and evaluation of the developing nations was made possible in the 1970s and 1980s through the infiltration of development economists that were trained in the neo-classical philosophy and that were able to get jobs in planning agencies, finance ministries, and other relevant government agencies.

Another way of interrogating globalization and Africa is through the development assistance framework, the Poverty Reduction Strategy Paper (PRSP). The PRSP was initiated by the developed world of G-7 and approved by its implementing institutions (IMF and World Bank) in 1999. The main aim of PRSP was poverty reduction in low-income states like the African ones by giving them the policy space they deserve free from external influence. To this effect, the main underlying principles of PRSP were the PRSP must be country-driven, result-oriented, comprehensive and long-term-oriented in perspective, priority-oriented, and partnership-oriented (Fantu, 2006).

PRSP was assumed to bring the following huge benefits for Africa: first, it provides the opportunity for ownership of development projects and the ability to integrate poverty reduction and issues of wealth distribution within the project; second, it improves coherence and cooperation among the various government agencies and institutions; and finally, it improves the ability to make use of development assistance. Despite some positive results, Fantu's (2006) examination showed severe limitations of PRSP in actual terms due to African states high dependency on foreign aid and its concomitant aid conditionality, lack of skilled and ample personnel, and lack of strong and integrated institutions that would carry out the development planning alone or/and in tandem. Thus, PRSP promised a lot, but delivered little and this led many critics to brand the PRSP approach as 'structural adjustment by another name' (Fantu, 2006, p. 359).

Three years before the PRSP, the donor community has already launched a debt relief initiative to the low-income countries called Highly Indebted Poor Countries (HIPC) I in 1996. But, because qualification to this initiative was found to be difficult, the more relaxed HIPC II was introduced in 1999 at the same time when PRSP was launched. HIPC II aimed at integrating debt relief with poverty reduction. As it is stated above, the SAPs have left the African states in ruins so much so that they were not in a position to provide social provisions to their citizens and HIPC was supposed to help them alleviate the social pressure that emerge as a result of the SAPs disastrous impact. In 2004, HIPC was complemented by another initiative called Multilateral Debt Relief Initiative (MDRI) so that the Millennium Development Goals (MDGs) would be met by the poor countries as scheduled. Those countries that completed their HIPC process were allowed by MDRI to get a complete debt relief upon eligibility from the three institutions – IMF, World Bank, and African Development Bank (AfDB). Around 30 African countries are said to have been qualified to get the HIPC assistance as of 2014 (Fantu, 2016).

The good thing about the HIPC initiatives is that they gave African countries the opportunity to use the debt relief for the betterment of their people like invest in education, health, and other badly needed social provisions as it has been seen in Benin, Uganda, Tanzania, and Mozambique. But, the downside is that the assistance that came through the HIPC appears to be not only too little when compared to the mammoth debt incurred by the poor countries, but also eligibility to access the debt relief happened to be tough as it was determined by the IMF and World Bank which in turn required states to reform their economic policies so that they could be eligible. In short, eligibility was based on the adoption of neo-liberal economic reforms. Thus, HIPC appears to be an ‘old wine’ in a ‘new bottle’ as it becomes a conditionality in itself (Fantu, 2016).

Furthermore, preferential trade agreements, the Lomé Conventions, and the Cotonou Agreement, provides us the trade dimension of the North-South relationship that placed the African continent in a disadvantaged position in the process.

Preferential trade agreements (PTAs) are one of the major instruments used by the developed world to integrate the African economy into the global economic system, albeit in a marginalized position. The cardinal elements of PTAs are that they are conditional, discretionary, and unilateral; they offer better-than-MFN (Most Favored Nation) market access; they expect exchange for non-trade policy concessions; the benefits are extended or removed in accordance with political choices in the importing (that is, preference granting) country; they involve no reciprocity in the trade regime, i.e., poor countries will export those products that are allowed by the rich countries zero-tariff without opening their market in return (Manger and Shalden, 2014, p. 81). The bottom line is that PTAs are unilateral decisions that allows the developed world to design and execute preferential trade agreements as they see it fit without any repercussions and questions asked from the other side.

But, such non-reciprocal approach took decades to be materialized. As Finlayson and Zacher (1981) argued, the rich members of the General Agreement on Tariffs and Trade (GATT, later WTO) were under pressure to provide special treatment to the trade of the developing countries since the foundation of the trade regime in the 1940s so that the latter could participate in the international trade and develop economically. Advocacy for trade preferences was based on the general assumption that increased international trade brings benefits and economic growth on the participants. And the breakthrough was achieved in 1971 with the declaration of the Generalized System of Preferences (GSP) and the emergence of a variety of provisions like the African Growth and Opportunity Act (AGOA) (USA) and the Everything, But Arms (EBA) (EU) (Manger and Shalden, 2014, p. 81).

Yet, as Özden and Reinhardt (2005) revealed, the USA's GSP is found out to have "underperformed, yielding at best a 'modest' increase in imports from beneficiary states" (p.4) because it did not allow many products that developing countries would have comparative advantage; it imposed binding restrictions on the volume of exports; and it introduced complex rules of origin requirements that the developing countries found it difficult to comply with. Besides to these practical limitations, their study found out that GSP has adverse impact on the beneficiaries' trade liberalization policy depending on "the GSP 'dose'" as these "specially treated" countries would opt more for protectionist, than to open trade policy, to avoid the losses they might incur because of actual and potential unilateral withdrawal of preferential agreements by the donor country.

Likewise, Brenton (2003), who examined the scope, actual and potential impact of the Everything, But Arms (EBA) EU trade preference given to Africa and the other Least Developed Countries (LDCs), argued that EBA, unlike what its EU protagonists claimed, has a marginal economic impact. The main objective of EBA was to stimulate the economy of Africa through trade and investment as the initiative grants duty-free access to imports of all products from Africa, with the exception of arms and munitions, and without any quantitative and time restrictions. However, the trade liberalization focused mainly on agricultural primary goods. Also, the majority of the primary products from Africa have been already allowed access to the market through prior trade preference initiatives like GSP or Cotonou Agreements. Thus, scope-wise, what EBA did is expanding the access to the remaining 919 of the total 10,200 tariff products to the European market. Thus, despite country difference in making use of the EBA, the author has demonstrated the direct impact of the EBA to be negligible and *ipso facto* EU tariff preferences to play nothing more than a minor role in integrating these countries into the world economy. The intricate rules of origin and the associated costs of providing the necessary documentation to prove conformity with the rules, just like the case in GSP, has been identified to be the major problem that hampered the implementation of EBA (Brenton, 2003).

The Lomé Convention and its subsequent Cotonou Agreements appeared not to be different from the GSP and EBA preferential agreements in the minimal role they play in stimulating the economy of Africa and its integration. According to the European Community (1977), the Lomé Conventions (1975-2000) were expected to provide aid and tariff free access to European market on a non-reciprocity basis to the African, Caribbean and Pacific (ACP) countries. To this end, it focused on commercial, financial and technical, and industrial cooperation. However, Kipligat's (1993) critical analysis of the Lomé Conventions have unearthed how Europe underdeveloped, not developed Africa; how Africa (1960s-1970s) was better off before the signing of the Conventions and became worse off after the signing; and finally, how the Conventions should be taken as an extension of neocolonialism, not development. He argued that the ACP countries understood the term 'cooperation' in a simplistic manner as paternalistic approach by the rich towards the poor and Europe "deliberately worked out an arrangement that doused these expectations while retaining a facade of genuine cooperation" (Kipligat, 1993, p. 604).

His evaluation of the key provisions of the Conventions demonstrated these negative upshots. For instance, he explained the minor impact of STABEX System, a mechanism designed to stabilize the export earnings of a single-export countries during hard times. This was due to the fact that STABEX applied to a narrow list of agricultural products (the exception being iron ore) that were marginal to the ACP's interest; qualification to the compensation of STABEX was based on the level of export earning in that specific product (i.e., member's actual earnings from a product in question must represent 7.5% or more of its total export earnings and the price for that product falls 7.5% below the reference level established by STABEX); and lastly, it

did not include manufactured and semi-manufactured goods in its list, a rule that vividly showed how the European Community (EC) was interested to keep Africa exporting primary goods and importing manufactured and value-added ones.

Another shortcoming of the Conventions was the “rule of origin” that restricted the export of processed goods and the “safe guard” clause that made sure European products were not disturbed by the ACP imports. EC is also said to have retreated from its initial enthusiasm for industrial cooperation. The market access provisions of the Lomé Conventions failed to facilitate a dynamic response by ACP countries, where they could have managed their export products according to the market since technological advances were making African exports obsolete. Hence, Kipligat (1993) urged Africa and its ACP camp to terminate the Lomé Conventions and look for free trade agreements that guarantees economic growth even if a few countries might be devastated by the cancellation of the Conventions.

As opposed to the Lomé Conventions that focused primarily on economic cooperation, its successor, the Cotonou Agreement (signed in 2000), emphasized both the economic and political aspects of the relationship. Yet, at the heart of the Agreement lies the Economic Partnership Agreements (EPAs). As such, it encourages EPAs as the new trade arrangements between ACP and EU by replacing the hitherto non-reciprocal preferences that ended at the end of 2007. The central objectives of EPAs are poverty reduction, promotion of sustainable development and facilitation of the integration of ACP countries into the global economy through trade. However, EPA negotiations, which are being negotiated collectively on regional basis and ratified bilaterally, have implications on the nature of market access commitments, capacity-building and technical support, human rights and the incorporation of what are referred to as the “Singapore issues” that are not even part of WTO. As Gathii (2013) stated “..., in many regions, the economic benefits of EPA are considered to be very one-sided, favoring the European Union much more than ACP countries” (p. 262). For instance, EPAs prevent Africa from developing its own development plan; it does not allow African states to enjoy the policy space over their economies; and it also causes states to incur heavy social and economic during the immediate transition from PTAs to EPAs. Thus, once again, the highly coveted Cotonou Agreement appeared to do little justice to ACP in general and Africa in particular and the cost of implementing these trade agreements seemed to outweigh the benefits. And that is why African states are resisting to enter directly into the implementation of EPA and are involved in the interim agreements with EU (Gathii, 2013, pp. 261-262).

Nonetheless, the study of Manger and Shalden (2014) showed that Africa and the rest of the developing countries still seek to secure non-preferential Regional Trade Agreements (RTAs) than preferential agreements (PTAs) with the developed world because these countries want to have a stable and secure market access, than dwell on the unpredictable PTAs. But, such willingness is not straight forward, rather it depends on the degree of “political trade dependence” (PTD) of a given country on the market access of granting country. Hence, “The greater the PTD... the more likely that a developing country will try to secure an RTA to lock in existing access to the market of a developed country” (Manger and Shalden, 2014, p. 79).

Moreover, the international agreements that came out of the Uruguay Round of GATT/WTO (1986-94) are not doing any favor for Africa either. Wade (2003) showed how these international regulations tip the balance of power in favor of the developed world and shrink not only the development space, but the self-determination space of Africa and the rest of the developing world. These regulations include the Agreement on Trade-related Aspects of Intellectual Property Rights (TRIPS), the

Agreement on Trade-related Investment Measures (TRIMS), and the General Agreement on Trade in Services (GATS). These agreements are generally said to have a disabling effect on Africa through both economic (market liberalization) and political (limited autonomous policy making) mechanisms and hinder the development of many African states. This is particularly true to TRIPS' copyright and patent emphasis that raises the cost of technological advancement and access to scientific works against the poor African states, which was not the case during the development of East Asians. Indeed, the limits of such inflexible neo-liberal policies on Africa has been clearly demonstrated by Perkins (2003) who highlighted how the protectionist strategies of developed and developing countries thwart the agricultural development of African states.

Given this unfavorable trade environment, Africa appeared to follow isolationist and closed door economic policy that is characterized by protectionism and import-substitution approaches. And such kind of trade policy resulted in nothing, but the marginalization of Africa in the global economy (Agayi, 2003). Thus, as Madavo (2005) observed, "At a time when globalization is integrating the world economy and contributing to growth in many least developed countries, Africans are being marginalized" (p. 2). For instance, Africa's share in the international trade has declined from 5.3% in 1960 (Agayi, 2003) to 1.5% in 2005 (Madavo 2005); and despite its momentary increment in 2012 to 3.5 %, it has been deteriorating over the years again (Muthoka et al., 2015). On the contrary, intra-African trade with value addition in manufacturing in particular is said to be growing faster than the export to the international market beyond Africa (Muthoka et al., 2015, p. 2). In fact, this changing economic fortune has produced different narratives (pessimism and optimism) about Africa's development. And this is clearly evident in the cover page of the Economist magazine's description of Africa - from "Africa the hopeless continent" (2000) to "Africa rising" (2011) (Sy, 2016).

Meanwhile, not only the price for Africa's primary commodities has been equally declining in the international market, but also its products have faced stiff competition from the Asians. Subsequently, Africa is said to have lost all its competitiveness to Asia in such products as cotton, cocoa, coffee, rubber, and timber from 1970 to 1993, where its export market share has declined significantly while Asia's increased (Agayi, 2003, pp. 126-128). Madavo (2005) claimed that the decline in world trade also affects Africa's ability to make use of the globalization forces for its own advantage that are critical for the continent to bring real economic change like investment and knowledge transfer.

When it comes to foreign direct investment (FDI), as to Ajayi (2003), Africa is also said not to be the biggest beneficiaries of the growing private investments in the developing world. This appears to be true when it is compared to the benefits the rest of the developing world is earning and the relatively small share Africa takes. Also, Africa has not been able to capture substantial share of the FDI even if the investment return rate is very high in Africa *vis-à-vis* that of the rest of the developing countries. More importantly, marginal FDI flow implies Africa is also missing out on the benefits that come with FDI like knowledge transfer, foreign currency reserve and job creation, critical elements for Africa's economic growth. Finally, even from this small percentage of investment, the overwhelming proportion of the FDI is directed towards a few African countries (like Angola, Egypt, Nigeria, and Morocco) that are endowed with natural resources, making the primary sector the primary target by investors. Of course, Ajayi has warned us the fact that endowment of natural resources alone is not the magic factor why these countries attract FDI better than others. Rather, it has to be complemented, *inter alia*, with stable political environment, privatization, strong legal frameworks, and investment in infrastructure (Ajayi, 2003, pp. 129-131).

This gloomy picture seems not to show any positive change even with the coming of the so-called the BRICS – Brazil, Russia, India, China, and South Africa – and other emerging powers, with which Africa had pleasant historical ties in the past. It is argued that Africa’s ever growing partnership with China and India in particular has altered the volume of trade and economic growth of the continent and ended the monopoly of the western powers in Africa in the process. However, the emerging cooperation between Africa and the global south is based on diplomatic interest (“one-China” for China and a seat in the UN Security Council for India) and an economic imperative that is based on the principles of neo-liberalism (Schaffer and Mitra, 2005, p. 14 cited in Fantu & Obi, 2010, p. 7).

It follows then that the emerging powers are not transforming and providing an alternative global order that favors Africa and other developing countries, rather these powers are merely reforming and reconstructing the global order in the way they could benefit greatly out of it along with the Western world. Accordingly, behind the façade of ‘win-win’ cooperation between the emerging powers and Africa lies the deep and clear interest of the emerging economies to exploit Africa’s diplomatic support, strategic natural resources and market opportunity. And this has been conducted through the systematic application of such instruments as aid, trade, and investment (Fantu, 2014). And this implies that the same ideological underpinning (neoliberal paradigm) and tools (aid, trade, and investment) appeared to be employed by the new economies in their relationship with Africa, just like Africa’s traditional partners. (The exception being the Western powers vigorously pushed their agendas through the Bretton Woods institutions, too, while the new powers are not doing that at least for now.)

For instance, China provides a *mélange* of foreign aid packages ranging from resource-based loans, interest free loans, to concessional loans. The last one in particular requires Africans to procure at least 50% of the goods and services from Chinese companies. Moreover, China’s top ten trading partners in Africa are those countries (like Sudan, Angola, Nigeria, etc) that have extractable natural resources and its foreign direct investment (FDI) is primarily geared towards the extractive sector (oil and natural gas), followed by construction, agriculture, and manufacturing. Despite the fact that trade between Africa and China is increasing and China has become the most important export destination for some African countries, Africa accounts for a small proportion (2.3% in 2007) of China’s total export market share (Alemayehu & Atnafu, 2010).

By the same token, Sinha’s (2010) study has illustrated how India’s development cooperation with Africa is being pursued to promote the former’s strategic and commercial interests as opposed to the fanfare around South-South mutual benefit and solidarity. He highlighted the small aid Africa is receiving when compared to a large volume of aid that flows to India’s neighboring countries as well as the promotion of India’s international trade through conditionality, where “Indian LOCs [lines of credit] are tied to the ‘project exports’ to the tune of 85 per cent of goods and services to be procured from Indian firms” (p. 84).

Thus, Africa’s mission of achieving sustainable development has been carried out within this suffocating political economy environment. The 2017 executive summary of the report of United Nation’s Economic Commission for Africa (UNECA) has revealed the unattractive performances and the attendant challenges the continent has faced. As to the report, Africa has registered slow progress in reducing poverty and inequality – poverty has declined a mere 15% during the period 1990-2013;

limited employment opportunities are created and available; the economic growth is surrounded with weak social insurance mechanisms; food insecurity is rising (severe food insecurity increased from 25.3 per cent in 2014 to 26.1 per cent in 2016); agricultural productivity is on the rise, but still remains well below the global average (only 5% of agricultural land in Africa is irrigated and fiscal allocations to the sector are well below the 10%); infrastructure is weak and manufacturing value addition is limited (manufacturing value addition stagnated at 10.3% to 10.5% of gross domestic product (GDP) during the period 2010-2015); and lastly, investment in research and development is very much limited (Africa spends less than 0.5% of its GDP on research and development) (UNECA, 2017, pp. 4-15).

HOW CAN AFRICA GET OUT FROM THIS QUAGMIRE? THE WAY FORWARD

Given the above discussion, it seems that Africa is in a difficult position to achieve its sustainable development goals, as it has become an economic battleground among the external actors like China, India, EU, USA, and other powers. Africa is also facing an increasingly rigid international regulations of the Uruguay Round of GATT and with the coming of the “Singapore Issues”. As a result, these two developments have made life difficult for African countries. Nonetheless, African states are still expected to understand and design a development policy that is beneficiary to them by navigating through any window of opportunity available or by creating one when there is not. It is in this spirit that I have presented below the way out for Africa from this quagmire.

Different scholars have suggested pretty much similar ideas, albeit with a divergent emphasis that has pragmatist and radical elements. For Madavo (2005), leadership, institutions, and economic liberalization and proactive international help are vital. He stated that “if Africa is to make progress it will require a strong, consistent leadership and effective institutions and programs. It will need to broaden and deepen the development platform established in the late 1990s” (p. 7). He also urged the international community to support Africa in what he calls “a long and difficult journey” to development because it is in their own best interest. Farah et al. (2011) emphasized the external dimension to the African problem. They argued that Africa needs “... a genuine partnership with Europe and with other actors; partnership that is not based on colonial history or competition over resources: maybe a plan like that of the Marshall plan for Europe and in a way that is consistent – to the extent possible – with the African way” (p.9).

The creation and maintenance of an independent policy space free from the stewardship of outsiders is the single most important suggestion by Professor Fantu Cheru (2009, 2014, and 2016). He claimed that “The key for Africa in today's world is to try to engage with the world-economy and maintain as much independence (or policy space) as possible,” (2009, p. 278), and “‘Self-determination’ must go beyond the mere attainment of ‘flag independence’; it should involve the right of countries to devise, discover and evolve policies that are suited to the local political and economic conditions” (2016, p. 1279). As such, Fantu urged African leaders to learn from the successes of the immediate post-independence period that was characterized by “transformative and emancipatory nationalist project”. Consequently, the current and future African elites are advised to introduce structural transformation both at national and regional levels and to pay due attention to 'strategic integration' of the national economy into the international economy as well (2009) by forging and sustaining a “balanced relationship with the traditional and emerging powers (2014, p. 4). Ultimately, as to him, a transformative and emancipatory nationalist project

requires "... the development of a strong, democratic and activist state that would assert its development role within the context of a common national vision" (2009, p. 277).

On the other hand, Ake (1996) did not see any development project that was deliberately advocated by the African leaders: "the problem in Africa is not so much that development has failed as that it never really got started" (p. 40). Thus, for Ake (1996) Africa's core problem is what he called "a confusion of agendas, a confusion ... compounded by the differences in the agendas of the multilateral development agencies, especially the Breton Woods's institutions and UNECA" and national preferences (p. 40). And the solution he suggested is that Africa must have clear development agenda that its leaders are ready to pursue: "The development of Africa will not start in earnest until the struggle over development agendas is determined" (p.41). Of course, in this statement, it is not clear which agenda (national or the other donor agendas) Africa must endorse.

Finally, for Kipligat (1993), who seemed to be irritated by the negative consequences of the Lomé Conventions, Africa's multi-faceted problems emerged from the perpetuation of the colonial legacies and due to the fact that "Africa has not given priority to the formulation of its own policies and goals. Instead, it has relied on its former colonial powers to determine most of its political and economic undertakings" (p. 613). On the basis of this diagnosis, he urged African leaders to opt for free trade and take a risk by finding other partners other than Europe since the latter has been found to be "the wrong partner to have in the current international political and economic climate" for Africa (p. 614). To this end, Kipligat advised Africans to promote the private sector as the prime mover of the economy, regional integration, democratization process, strengthen ties with those economies that are proponents of free trade (like the East Asia), and above all, a stable and strong government that has the capacity to formulate and implement drastic, and at times painful, measures so that Africa could have a future.

The common denominator that can be teased out from these suggestions is that there is no short cut to development in general and sustainable development in particular and as such Africa must work hard and bring substantive changes at how things run at national, regional, and global levels. Accordingly, at national level, African states must focus on the creation of a strong, inclusive, responsible, and active state that promotes a defined, articulated, and comprehensive national agenda; that has a visionary, socially responsible and skilled leadership; that avoids the confusion of development agendas by integrating the various engagements and development plans in line with the national interest; that figures out the synergy between or among similar institutions; that promotes regulated economic liberalization and brings structural transformations and diversification in the economic sector like boosting agricultural productivity and encouraging the manufacturing sector, technological innovation and infrastructure; that promotes democratization and good governance; that provides tangible social provisions; that invests in the human development and the physical infrastructure. Thus, as Robinson (2004) argued, sustainable development "must be viewed as an integrative concept across fields, sectors and scales, and governments must move from concepts to action" (cited in Ahenkan & Osei-Kojo, 2014, p. 172).

At regional level, African leaders need to foster regional economic integration, where there is common framework on industrialization, investment, trade, and resource extraction; common framework for infrastructure development - like administrative, financial, and other infrastructures; and partnership of the private sector to the state-driven-regional integration. But, in the process, states should avoid duplication of institutions and overlapping memberships and also regional integration should not be taken as a substitute to domestic problems. Moreover, African countries should design a coherent approach to the implementation of Agenda 2063 and the 2030 Agenda for Sustainable Development to bring synergy and minimize

duplication of agenda. Finally, at the global level, states should seek to revise the nature of the old partnerships and dare to establish new ones; try to keep both the new and the old partners in equilibrium, after all there is no permanent friend, but permanent interest and the BRICS or any other emerging powers are as capitalist as the West and they have 'economic' conditionality, if not political conditionality; and finally, Africa must adopt a prudent policy in its relationship with the international community. By doing so, Africa might be able to neutralize and avoid the perpetuation of the colonial system by another means in its relationship with the European actors and the risk of 'neocolonialism by invitation' in its dealing with the emerging powers, and eventually seize its uncontaminated policy space, which is essentially a genuine measure of sovereignty.

REFERENCES

- Ahenkan, A. and Osei-Kojo, A. (2014). Achieving sustainable development in Africa: Progress, challenges, and prospects. *International Journal of Development and Sustainability*, 3(1), 162-176. Retrieved from https://www.researchgate.net/profile/Albert_Ahenkan/publication/269928966_Achieving_sustainable_development_in_Africa_Progress_challenges_and_prospects/links/54a1436a0cf257a63602c30c.pdf
- African Union (AU). (2014). *Common Africa Position (CAP) on the post-2015 development agenda*. Addis Abeba, Ethiopia. Retrieved from <https://sustainabledevelopment.un.org/content/documents/1329africaposition.pdf>
- Ajayi, S. Ibi. (2003). Globalization and Africa. *Journal of African Economies*, 12(Supplement 1), 120-150.
- Ake, Claude. (1996). *Democracy and development in Africa*. The Brookings Institution, Washington, D.C.
- Alemayehu Geda & Atnafu G. Meskel. (2010). China and India's growth surge: The implications for African manufactured exports. In Fantu Cheru and Cyril Obi (Eds.), *The rise of China and India in Africa: Challenges, opportunities, and critical interventions*. London: Zed Books.
- Ascher, William. (1996). Evolution of postwar doctrine in development economics. *History of Political Economy* 28, 312-336.
- Boon, E. K. (2016). An overview of sustainable development in Africa. *Area Studies – Africa (Regional Sustainable Development Review)*, I. Retrieved from www.eolss.net/sample-chapters/c16/E1-48.pdf
- Brenton, Paul. (2003). Integrating the least developed countries in the world trading system: the current impact of EU Preferences under 'everything but arms', *Journal of World Trade* 37, 662-646.
- Desta Mebratu. (1998). Sustainability and sustainable development: Historical and conceptual

review. *ENVIRON IMPACT ASSES REV*, 18, 493–520. Retrieved from https://ac.els-cdn.com/S0195925598000195/1-s2.0-S0195925598000195-main.pdf?_tid=3ff1f060-1552-4c35-894d-34837fbc21d&acdnat=1537775834_6d3b1306e0903d568c278f1441e1ac16

Duran, D. C., Artene, A., Gogan, L. M., and Duran, V. (2015). The objectives of sustainable development – ways to achieve welfare. *Procedia Economics and Finance*, 26, 812 – 817. doi: 10.1016/S2212-5671(15)00852-7

Emas, R. (2015). The concept of sustainable development: Definition and defining principles. *Brief for GSDR*. Retrieved from https://sustainabledevelopment.un.org/content/documents/5839GSDR%202015_SD_concept_definiton_rev.pdf

European Community Background Information. (1977). *The Lomé Convention: A North/South Initiative*. Background Note, no. 15/1977.

Fantu Cheru. (2006). Building and supporting PRSPs in Africa: What has worked well so far? What needs changing? *Third World Quarterly*, 27(2), 355-376.

Fantu Cheru. (2009). Development in Africa: The imperial project versus the national project and the need for Policy Space. *Review of African Political Economy*, 36(120), 275-278.

Fantu Cheru. (2014). Africa, emerging economies, and the changing development landscape. Future UN Development System Briefing no. 22, 1-4.

Fantu Cheru. (2016). Developing countries and the right to development: A retrospective and prospective African view. *Third World Quarterly*, 37(7), 1268-1283, DOI:10.1080/01436597.2016.1154439.

Fantu Cheru and Obi, Cyril. (2010). Introduction – Africa in the twenty-first century: Strategic and development challenges. In Fantu Cheru and Cyril Obi (Eds.), *The rise of China and India in Africa: Challenges, opportunities, and critical interventions*. London: Zed Books.

Farah, Ibrahim et al. (2011). *Major challenges facing Africa in the 21st century: a few provocative remarks*. International Symposium on Cultural Diplomacy in Africa, Berlin, 14th – 17th July.

Finlayson, J. and Zacher, M. (1981). The GATT and the regulation of trade barriers: Regime dynamic and functions. *International Organization*, 35(4), 561-602.

Fukuyama, F. (1989). The End of History? *The National Interest*, Summer, no. 16.

Gathii, J. T. (2013). The Cotonou Agreement and economic partnership agreements. Retrieved from www.ohchr.org/Documents/Issues/Development/RTDBook/PartIIIChapter19.pdf on 19/02/2018.

Gore, Charles. (2000). The rise and fall of the Washington Consensus as a paradigm for developing countries. *World Development*, 28(3), 789-804.

Harrison, L. (2001). *Political research: An introduction*. London: Routledge Taylor & Francis Group.

- Kipligat, P. K. (1993). Fortress Europe and Africa under the Lomé Convention: From policies of paralysis to a dynamic response. *North Carolina Journal of International Law and Commercial Regulation*, 18(3), 589-632.
- Loxley, J. (1990). Structural Adjustment Programs in Africa: Ghana and Zambia. *Review of African Political Economy*, no. 47, 8-27
- Madavo, C. (2005). *Africa: the development challenges of the 21st century*. Woodrow Wilson International Center for Scholars, Africa Program Occasional Papers Series, no. 4.
- Manger, M. & Shalden, K. (2014). Political Trade Dependence and North-South Trade Agreements. *International Studies Quarterly*, 58: 79-91
- Mittelman, J. H. (1996). How does Globalization really work? In J. H. Mittelman (Ed.), *Globalization: Critical reflections*. Lynne Rienner Publishers, International Political Year Book, Vol. 9.
- Muthoka, S. et al. (2015). Globalization in Africa. Retrieved from https://mpra.ub.uni-muenchen.de/65474/1/MPRA_paper_65474.pdf
- Nwankwo, S., Chaharbaghi, K. and Boyd, D. (2009). Sustainable development in sub-Saharan Africa: Issues of knowledge development and agenda setting. *International Journal of Development Issues*, 8(2), 119-133. DOI 10.1108/14468950910997684
- Ozden, C. & Reinhardt, E. (2005). The perversity of preferences: GSP and developing country trade policies, 1976-2000. *Journal of development economics* 78:1-21.
- Perkins, F. (2003). Africa's agricultural trade reform and development options. *Trade Policy Brief No. 1, SAIIA*.
- Sinha, P. K. (2010). Indian development cooperation with Africa. In Fantu Cheru and Cyril Obi (Eds.), *The rise of China and India in Africa: Challenges, opportunities, and critical interventions*. London: Zed Books.
- Strange, T. and Bayley, A. (2008). *Sustainable development: Linking economy, society, and environment*. OECD Insights.
- Sy, Amadou. (2016). Sub-Saharan Africa: Land of promise or of peril? A complex narrative of a continent in flux. Brookings.
- United Nations (UN). (2015). *Transforming our world - 2030 Agenda for Sustainable Development*. A/Res/70/1. Retrieved from <https://sustainabledevelopment.un.org/content/documents/21252030%20Agenda%20for%20Sustainable%20Development%20web.pdf>
- UNECA. (2017). *Executive Summary: 2017 Africa Sustainable development report: Tracking progress on agenda 2063 and the sustainable development goals*. Addis Abeba, Ethiopia. Retrieved from https://www.uneca.org/sites/default/files/PublicationFiles/executive_summary_en_for_web.pdf
- Wade, Robert. (2003). What strategies are viable for developing countries today? The WTO and the Shrinking of Development Space. *Review of International Political Economy*, 10(4), 621-64.
- Wesley, J. J. (2010). *Qualitative Document Analysis in Political Science*. T2PP Workshop, 9-10 April 2010, Vrije Universiteit Amsterdam.

ABOUT THE AUTHOR

Alemu Asfaw Nigusie is a Lecturer at the department of Political Science and International Studies at Bahir Dar University.