

## GLOBALISATION AND THE GOVERNANCE QUESTION IN AFRICA

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### ABSTRACT

The fundamental shrinking of the world occasioned by time-space compression which is consequent upon globalisation has brought about economic and political integration in the world which put African countries in subordinate and victimised positions. This is because globalisation as an integrating social reality has been seized by world political and economic super-powers for ideological reasons to establish their hegemony and control over other world cultures and economies. The question now is how do African countries negotiate themselves within this global dynamics? This essay examines how Africa has fared in the process of globalisation and the way out of the risks and marginalisation involved in it. It is argued that the neo-liberal economic ideology suggested for African countries by global financial institutions and transnational corporations does not motivate development in developing countries. The reason is that it is premature in their development process. Early stages of economic development do not accommodate such economic principles. The history of the economies advanced capitalists countries including the US and Japan reveals that they built their economies by wisely and selectively protecting some of their industries until they were strong enough to compete with foreign companies. It is argued that governments in the Third World in general and Africa in particular are complicit in the global domination and marginalisation of their states and this has led to irresponsible governance which weakened their legitimacy. It is suggested that good governance and better regional cooperation remain the only options to avoiding the global traps and ensuring sustainable development.

**Keywords:** Globalisation, Economic, Africa, Governance, Neo-liberal, Sustainable Development, Bretton-Woods

### INTRODUCTION

At this time in the history of the world, it is near impossible to avoid the issue and discourse of globalisation. The issue is discussed among journalists, politicians, computer experts, information and communication technologists, political scientists, economists, sociologists and philosophers among others. Daily, there is a continuous reference to global communication, global migration, global security, global politics, global governance, global economy and the like. If there were to be a competition for the word of the last one decade, globalisation would be a strong contender among others like democracy and terrorism.

The focus on globalisation is enormous because, as a contemporary social reality and process, it signifies the emergence of a significantly different and new world economic political and socio-cultural order. Globalisation gives us a perception of the world and social relations that is different from earlier perceptions. This is not to be taken in any way as meaning that globalisation *per se* is a new phenomenon. It is the kind of definition one offers for it that affects the way we treat it historically. In other words, if one treats globalisation as internationalisation, liberalisation, or as just international cross-border trade, migration and investment, then one is likely to see globalisation as dating back long into history. Scholte

(2000), however, sees globalisation as a new phenomenon which dates back to around 1960. This is because he treats it as a new supra-territoriality or de-territorialisation. I see Scholte's perspective as inadequate because it only emphasises just one aspect of globalisation. De-territorialisation or trans-nationalisation defines just one dimension of globalisation, hence cannot capture all that the phenomenon is all about. The inadequacy of Scholte's view is not only because of its one-sidedness but also because such view, it seems to me, is as an attempt to treat globalisation as a neutral social phenomenon.

This treatment by Scholte is far from what obtains in actual fact. Globalisation is sponsored and has ideological and imperialist dimensions. As Asobie (Cited in Igbaden, 2006) contends, it is a product of being untutored in world affairs that makes someone think that globalisation is not an imperialist policy simply because there is no evidence that imperialists met somewhere and conspired to proclaim and impose globalisation on nations (Asobie, in Igbaden, 2006). The relevant questions, for Asobie, include: who sets up the institutions that run global affairs? Who dominates these institutions and whose interests do they serve? Douglas Kellner has also argued rightly that, the term globalisation is neither innocent nor neutral in many of its uses. To treat globalisation as a neutral concept would make it replace and render unappreciable discourses relating to imperialism, Westernisation and neo-colonialism. Keller contends that, as a replacement term for imperialism, globalisation could

Displace a focus on the domination of developing countries by the overdeveloped ones or of national and local economies by transnational corporations. Moreover, it could serve as a cover to neutralise the horrors of colonialism and could be part of discourse of neo-colonialism that seems to obscure the continuing exploitation of much of the world by a few super-powers and giants transnational corporations, thus cloaking some of the more barbaric and destructive aspects of contemporary development (1998: 25).

Globalisation is not a neutral term or social phenomenon because it has been seized by world political and economic super-powers for ideological reasons to establish their hegemony and control over other world cultures and economies.

The objective of this essay is to see how Africa has fared in this process of globalisation and the way out of the risks and marginalisation involved in the process. It is argued that government in the Third World in general and Africa in particular are complicit in the global domination and marginalisation of their states, and that governance – good one – remains the only option to avoiding the global trap and ensuring sustainable development.

An analysis of the global capitalist economic system and the logic of the operations of trans-national corporation (TNCs) and the international financial institutions (IFIs) such as International Monetary Fund (IMF), World Bank and World Trade Organisation (WTO) would reveal the challenges posed by globalisation. The argument by globalisation sceptics that globalisation is a myth and mere rhetoric, and a phenomenon which has not changed the nation-state, hence the world, is unacceptable. Such argument overlooks the varying challenges that globalisation has posed for the state in relation to politics, culture, economy and international relations.

This essay is divided into three sections. The first deals with a conceptual analysis of globalisation and develops a conception of globalisation that sees it as the conquest of space and time. It is, however, argued that this space-time

conquest has been seized and directed by certain global economic powers. In this section too, we will examine the causal factors and operational dynamics of globalisation. The second section examines economic globalisation and the role of IMF, World Bank and WTO in the globalisation process especially the spread of economic globalisation. Emphasis is placed on the ideological dimension of their operations and the damaging effects it has on the Third World. In the third section we shall deal with the impact of globalisation on governance in Africa. We shall defend the thesis that good governance is the only way African states can remain, not only viable, but also be able to cope with the adverse effect of globalisation and ensure intergenerational equity in the area of meeting human basic needs.

### **GLOBALISATION AS A CONTESTED CONCEPT**

A clear and sustainable definition of any concept whatever, in this case, globalisation, is important because any inadequacy in conceptualisation would bring confusion in the discourse and, consequently in policy formulation. Apart from this, there would be ambiguity about the appropriate response to its causal dynamics. Definitions fundamentally shape descriptions, explanations, evaluations, prescriptions and actions. The implication of this is that the way we define a concept affects our understanding of it and the problems involved. Those who deny the reality of globalisation do this on the ground of the kind of definition they give to it. For me, there is no definition that is ideologically neutral. Every definition, in other words, is always reference to a point of view. And every point of view also “reflects a specific historical context, a given theoretical perspective, certain normative commitments and particular political interest” (Scholte, 2000: 42). A critical look at the global hegemonic powers such the US and the notion of governance they favour reveal the truth of this statement.

The truth is that, like any other concept, it is difficult to find an all-embracing definition of globalisation. However, it is not difficult to identify concrete existential occurrences (process and transformations) that are manifestations of globalisation as a social phenomenon. The kind of definition which Harvey (1990), Giddens (1991) and Scholte (2000) favour is based on these processes and transformations which are definitive of the contemporary world as they manifest in world economic, political and cultural values.

One of the fundamental transformations is the fact that the world is shrinking to the extent that some have imagined the emergence of a global society. In fact some assert that already the world has become a “global village”. This phrase helps to direct attention to the compression of time and space but is misleading in that it clouds increasing discrepancies between the winners and losers in contemporary global relations. This globalisation has brought about the reality of increase in the density of contacts between people, and places all over the world (Axtmann, 1998). In addition, the lives and existence of human beings at different locations in the globe are being structured in such a way that social interactions are embedded in global networks while local events are shaped by events happening thousands of kilometres away. In this context, McGrew conceives globalisation as “the intensification of global interconnectedness” (1992: 63). This implies that while there is no doubt about the interconnectedness of the world hitherto, by one means or the other, what we now witness is its intensification. A crucial part of this process is that the contact between people and places has become instantaneous and immediate. In Axtmann’s terms, “there is temporal immediacy to social events and cultural expressions far away” (1998: 5). Another important part is the fact that the interconnectedness has become trans-border and supra-territorial in nature. This is to the extent that there is a reconfiguration of time and space. In this light, Harvey

(2006) conceives globalisation as “time-space compression”. This signifies a change in the concept and our experience of time and space, hence of geography.

The magical, as it were, conquest of time and space through transportation and information technology has brought about the intersection of presence and absence, the interlace of several events and social relations “at a distance” with “local contextualities” (Giddens, 1991: 21). Social relations are lifted and objectified from their local contexts and interaction to have a larger and wider influence and consequence. Writing on the re-ordering of time and space, Scholte explains that

Globality involves a different kind of location such that “directly experienced” social relation need no longer be those of proximity in accordance with the conventional Euclidean measurement. Global relations are not links at a distance across territories but circumstances without distance and relatively disconnected from particular locations. Globalisation has made the identification of boundaries and associated notions of “here” and “there”, “far” and “near”, “outside” and “inside”, “home” and “away”, “them “ and “us” more problematic than ever (1996: 41).

If we grant the above as true of contemporary social order then we would agree that the world is being reconstituted as one place, even though not in absolute terms. We would also agree that modern societies cannot be understood as a cohesive, bounded totality or an integrated social system anymore. This would imply that it would be difficult and incomplete to understand national identities without reference to occurrences happening in other part of the globe since local identities and destinies are shaped both by local and global forces.

To my mind, globalisation cannot just be seen as supra-territorial relations as argued by Scholte (2000) or as time-space compression as conceived by Havey (1990). All these are structural dimensions of globalisation caused by breakthrough in communication and transport technology. Rather, I would want to conceive globalisation as the promotion and seizure of the advancement in transportation and communication technology to bring about a worldwide reach of trade, and political, economic and cultural values of the people of the world. We need to pay attention to Slater’s brilliant remarks that “a crucial part of the globalisation process is constituted by a continuance of the North’s will to gain geo-political (and economic) power over the South, and neo-liberalism is a key reflection of this will” (1996: 281). The definition which I offered above which seems to me to find corroboration in Slater’s statement is not likely to hide the imperialistic and neo-colonialist dimension of globalisation as does the one that defines it as supra-territoriality or de-territorialisation. What the definition shows is that internationalisation, liberalisation, universalisation and Westernisation which Scholte sees as redundant conception of globalisation are still relevant, hence not redundant. The relevant question we need to ask, the answer to which constitute the next section is what causes globalisation.

## **THE CAUSAL DYNAMICS OF GLOBALISATION**

An analysis of the causal logic of globalisation is imperative. This is for the reason that an improper understanding of this logic would hinder policy initiatives in respect of the challenges posed by globalisation, especially in Africa. Just as a muddled or misguided concept compromises our overall comprehension of the problem, so also are policy initiatives not likely to produce desired results if they are not results of an adequate diagnosis regarding any problem. But when we

have proper understanding and correct diagnosis, there results insightful and empowering knowledge that can help us to change our destinies positively. A review of globalisation literature shows two trends regarding its causal logic. There is the one that favours a single or mono-causal logic. For instance, Wallerstein (1983) explains globalisation in terms of capitalism, Rosenau (1980) explains it in terms of technology while Gilpin (1987) accounts for it in politic and argues that it relies on the hegemonic states in the international system to impose a form of world order which fosters interaction openness, corporation and interdependence. In the word of Gilpin:

The expansion and success of the market in integrating the modern (global) economic life could not have occurred without the favourable environment provided by the liberal hegemonic power (1987: 85).

The analysis offered here by Gilpin seems to corroborate the point that I made earlier that globalisation is being controlled by certain hegemonic powers.

We must, however, not forget to underscore the inadequacy of favouring a single causal logic for globalisation. Such would provide an unduly limited perspective and understanding of the social reality. A desirable account would be the second trend noticed in the globalisation literature which favours a multi-causal logic. This trend is advocated by Giddens (1991), Robertson (1990, 1991) and Scholte (2000). Giddens identifies capitalism, the interstate system, militarism and industrialism. On his part, Robertson identifies the spread of capitalism, Western imperialism and the development of a global media system. For Scholte, however, globalisation could be accounted for with reference to rationalism, capitalism, technology and regulatory framework. I find the analysis of Scholte more comprehensive. Let us examine his analysis briefly.

Rationalism is the prime mover of modernity. Globalisation is generated in part by the knowledge we have of the world. There is a way in which knowledge production has encouraged global thinking. For instance, Scholte (1996) remarks that rationalism prompted the separation of society from nature and the desire to subordinate natural forces for instrumental human purposes through scientific and technical means. This has further propelled man toward seeking practical and natural solution to human problem. This can be said to provide a structural base for globalisation. There is a sense in which capitalism also caused globalisation. Capitalism is a structure of production where economic activity is structured or oriented toward accumulation of surplus. The accumulated surplus is re-oriented so as to obtain more surpluses. This leads to increase in sales volume and the need to expand the market. In order to sell their products, many firms have sought market globally. The global reach which capitalism has is also a result of the fact that capital seeks conducive environments where it would find cheap labour over the world. This capitalist logic has led to the marginalisation and exploitation of certain portions of the globe especially Third World countries.

Some authors have suggested that technology has been the principal force of globalisation. Even if one agrees that technology is pervasive in globalisation, it is not the only driving force. The impact of technology is however noticeable in mass production, and in the area of transportation and communication. Technology has been playing a crucial role in the creation of trans-world spaces. Scholte remarks that

The introduction of the telegraph in 1837, the wireless in 1895, the aeroplane 1903, the television in 1926, the liquid-fuelled rocket in 1927, the coaxial cable in the 1930's and the digital computer in 1946 were all key events in the period of incipient globalisation (2000: 100)

Other things he mentions as responsible for globalisation include automated bottling, canning and refrigeration process, commercial jets, orbital satellites the internet, mobile phone. Technology have enhanced global communication, global financial, transactions, coordination of global production and marketing.

The role of regulatory framework in explaining globalisation is important. Regulatory framework refers to the regulatory institutions and the regulations which emerged in the globalisation process. This framework has led to technical and procedural standardisation. It has also affected the liberalisation of cross-border movements of money, investment and trade. It is this regulatory framework that provides the agentive aspect of globalisation. For Scholte (2000), globalisation is not a result of the freewill of policy makers of such regulatory agencies like IMF, World Bank, WTO, NAFTA, ASEAN, etc. However, this circumscribes his perspective on globalisation with an unyielding determinism. The will of the policy makers may not be absolute in the process but the perpetuation of globalisation is consequent upon it. The truth is that there is a deliberate attempt by the global governance agencies' policy makers sponsored by powerful industrial nations and multinational corporations to take the advantage offered by rationalism, capitalism and technology, for ideological reasons, to achieve the global reach of their ideologies. In what follows, I take a look at economic globalisation and the role of IFIs in the globalisation process especially in undermining the Third World.

### **THE PHENOMENON OF ECONOMIC GLOBALISATION**

One of the obvious characteristics of globalism is the drastic change of reference away from nation-states to the utility of markets. This only suggests the vital significance of the economic in globalism. In fact, it seems that with the end of the Cold War, economic issues have become central to the world politics (Nye, 2000: 177). Thus, for a commentator, "at the most organic and fundamental level, globalisation is about the monumental structural changes occurring in the process of production and distribution in the world economy" (Odimegwu, 2006: 311). This would mean, therefore, that even the political and cultural dimensions of globalisation are propelled by global economic realities. This seems to be most visible and pervasive aspect of globalisation and it is its impact that on developing countries, especially those South of Sahara that has been most devastating.

It is from this perspective that we can begin to understand most definition of globalisation. Consider, for instance, the definition of Amin. For him, globalisation is "the establishment of global market for goods and services in the progression toward global system of production" (Amin, 1998: 99). This, it seems to me, captures the essence of what we call economic globalisation. It refers to the integration and interdependence of national economies through the deepening and widening of trade relations and productive and investment decisions via the movement of capital and technology around the world. Such movement take advantage of environments where it will have competitive advantage and can yield large returns. The dynamics of trans-national corporations (TNCs) and highly industrialised countries demonstrate this.

Economic globalisation is traceable to the adventure of capital around the world. In fact, one can explain economic globalisation as the triumph of capitalism and technology. Prior to the modern economic development, trade was a local activity in markets where people exchange their surplus for goods they need. With growing prosperity and affluence in Europe, more expanded markets became a necessity. This gave rise to the discovery of other lands and, consequently, colonialism. One of the effects of colonialism on the colonised was that they became more and more dependent economically on the colonisers to the extent that their economies became extroverted. In other words, the indigenous

economies were willy nilly dragged into the orbit of the world capitalist system from a disadvantaged point. The paradox, however, is that even the global *hegemons* – USA, Britain, France and Germany are also caught in the dynamics of global capitalism. And for the colonial powers, prosperity in their economies depended on their exploitation of the markets in the colonies. Blanchette remarks that:

If we look at the US which has by far the largest economy of the world and which no other economy in the world can ignore, we see that globalisation has infected the system to its very core. The US may be the most powerful economy in the world, and it may continue to be so, notwithstanding the challenge of European Monetary Union. Yet, it is now conscious than any other entity of its dependence on global trade, global competition, global investments, global interest rates global currency exchange rate and so on (2001: 17).

Given this crucial fact, there is therefore the need for the advanced industrialised countries to keep their competitive edge so that they can continue to exploit the global economic system at the expense of other countries. They do this through their liberal and free market ideology which is operationalised through some regulatory agencies. This has divided the countries of the world into the rich and the poor, the core and the periphery, North and the South, the First World and the Third World. The poor, periphery, South and Third World represent the underdeveloped, exploited and marginalised “other” in the global system.

The international financial institutions (IFIs) such as IMF and World Bank established after World War II, together with various trade agreements such as Uruguay Round which gave birth to WTO and NAFTA, have been instrumental in the spread of economic globalisation and in the heightening of inequality in the global system. Both World Bank and IMF originated in the World War II as a result of the UN monetary and financial conference at Bretton Woods, New Hampshire in July 1944 (Stiglitz, 2002). They were established with the aim of rebuilding Europe after the war and to save the world from future economic depression. Blanchette explains that they were “mechanisms for stabilizing the value of currencies in the network of nations struggling to rebuild their economies and for making funds available to the nations in need so that they could restart their industrial machines” (2001: 20) Their concern was with most industrialised nations since most developing countries were still colonies.

The IMF was charged with the responsibility of economic stability. It was founded on the belief that markets do not often work well. This was with the intellectual backing of Keynes and others. Stiglitz remarks on the Keynesian contribution:

Keynes... put forward a simple explanation and a correspondingly simple set of prescription: lack of sufficient aggregate demand explained economic downturn; government policies could help stimulate aggregate demand. In case where monetary policy is ineffective, governments could reply in fiscal policies, either by increasing expenditure or cutting taxes (2002: 11)

From its inauguration, the structural policy of the IMF has undergone serious critical changes especially with the input of Reagan and Thatcher (Stiglitz, 2002).

Even though the IMF was established to put pressure on countries to have more expansionary economic policies such as increasing expenditure, cutting taxes, lowering interest rates as to stimulate growth, the crucial agenda of IMF today is a

proselytising mission for the free market ideology. The strategy is to release funds for countries only if they do the opposite of what the agencies initially believed would lead to an expansionary economy. It now asks countries to cut down deficits, raise tax and interest rates, and withdraw subsidies in order to create a contraction in the economy (Stiglitz, 2002). The prescription of structural adjustment programme (SAP) for countries exemplifies this.

The IMF and World Bank pursue a neo-liberal agenda which demands a minimal government and celebrates a free market economy. Neo-liberalism, as Havey (2000) puts it, is a theory of political economic practices which proposes that human well-being can best be advanced by the maximisation of entrepreneurial freedoms within an institutional framework characterised by private property rights, individual liberty, free markets and free trade. The market is thought to be self-regulating and therefore government intervention is unnecessary, even harmful. So, the institutions ask developing countries to privatise and liberalise their economies. At the same time, they are asked them to remove trade barriers to facilitate a further integration with the global economy, howbeit, from a disadvantaged position. The argument for privatisation is that the government engage in what it should not. For instance, it is argued that a government supposedly has no business in running a steel company or poultry. This is because it is supposed that competing private firms can perform such functions more effectively. So, state-run industries must be converted to private ones. The IMF also believes in the liberalisation of the economy, that is, removes government interference in financial market, capital markets and barriers to trade. It is supposed that this would enhance a country's income by forcing resources to move from less productive uses to productive uses. These policies have not actually yielded good returns for developing countries. The reason is that the benefits of openness to trade have been eclipsed by the unequal relations that exist in the global economy. Apart from this, the growth which is supposedly a result of such policies does not always translate into improved lives for all the citizens of the country. Given time, a country can privatise and liberalise its economy as we have of industrialised nations but the truth is that it must be sequenced. The US did not withdraw government involvement that in the economy until around 1970 and this has not even been total. Most industrial economies developed through government involvement and regulatory protections.

There is an ideological dimension to economic globalisation. The West especially Europe and America are pushing the market ideology across the worlds so as to maintain their hold on the global market. They raise their voice through these global institutions as the only humane voice. However, familiarity with the intellectual foundations of their economies, for instance, Keynesianism in the US will show that markets are vulnerable to failure and that there is need for government interventions. I believe that without such interventions, sustainable development cannot be achieved in African states.

### **HOW GLOBALISATION AFFECTS AFRICA**

The integration of the economies of African and other Third World countries into the global economic system has weakened their autonomy in the determination of their economic and even political destinies; thereby undermining their ability to address the needs of the people especially the poor. May be this is why Havey (2006) refers to the neo-liberal agenda as “creative destruction” (2006). In Havey's opinion, the creation of the neo-liberal system,

“has obviously entailed much destruction, not only of prior institutional frameworks and powers (such as the supposed prior state sovereignty over political-economic affairs) but also of divisions of labour, social relations, welfare provisions, technological mixes, ways



of life, attachments to the land, habits of the heart, ways of thought...” (Havey, 2006: 145-146).

This has weakened the Africa states capacity for good governance and, consequently, sustainable development.

Some of the time, the decisions, policies and actions of government are motivated by external rather than internal factors. Let us take the issue of economic contagion, for instance. This issue relates to how economic situation in other countries can have significant negative or positive effect on national economies. A country can be devastated by economic down turns, strike, shutting downs of industrial productions or because particular countries refuse to buy their products. In fact, good working conditions and the possibility of cheap labour in country A can affect country B. Akokpari commenting on lack of autonomy in African states remarks that:

International public opinion and markets have become the main decision makers for Africa states. The states is compelled to adopt economic policies that conform to international desires and not necessarily those that satisfy domestic constituencies in this wise, not only is the freedom of the state circumscribed, but its options have also been severally limited (2001: 196).

Some of the time, the decision of African governments to liberalise, privatise and deregulate their economies were taken on their behalf by Bretton Woods institutions (IMF and World Bank). This decision, which countries are expected to follow without debate is based on ideology and politics and represents the interest of those in control of these institutions (Stiglitz, 2002). This is why they do not often help countries in crisis but plunge them into further crisis turning their governments into economic crisis managers.

In taking these decisions, the millions of people and local industries that these decisions bear are not always factored in. The reason is that the people are not their constituencies and hence not responsible to them. The people that are voted into power in democratic countries are forced to take decisions that turn them into irresponsible representatives. This is why Mohan suggests the necessity of focusing on “the trend towards globalisation of finance capital, the ‘triadization’ of regional politics and trade and the increasing political role of the formerly ‘economic’ Bretton Wood institutions” (1996: 290) in analysing Africa.

Mohan (1996) argues that political, and I add, economic regulations in the emerging world (dis)order is a two-fold division between local responsibility without power and the supra-national exercise of power without responsibility. This is because the Bretton Woods institutions are increasingly exercising supranational power without responsibility in developing worlds. And in deference to public opinion many African states have pursued the programme of these institutions to the extent that the underlining philosophy of neo-liberal economic is being materialised in the largely irrelevance of many African states.

Economic globalisation is making Africa to be worse in the global economy. In the first instance, as capital moves around the world, it seeks a conducive place to operate and when it does not find this it moves to another place such conducive environment are enabled by good infrastructural facilities, education system workforce, and government. These conditions are usually created, at least at early stage of development through government involvement in the economy. But the logic of neo-liberalism requires it (government) to steer clear of involvement in the economy since

market will rise to the occasion. But this is not always the case. That is why we find most foreign investment in developed market economies where the environment is conducive. The only time capital investment seems to operate in most African countries is when it seeks cheap labour.

In another instance, the logic of the global economic requires that national economies should open up to foreign investment and influx of foreign goods. Countries developed, developing and underdeveloped are encouraged, now through the instrumentality of the world trade organisation (WTO), to open their economies for free flow of goods and services. The problem is that most local industries do not enjoy any competitive advantage over foreign industries. This has killed many of these growing industries and has led to unemployment and increase in poverty in Africa. This brings about urban violence, increased crime and several and political unrest.

The fact is that these market ideologies do not motivate development in developing countries. The reason is that they are premature in their differing stages of development. Early stages of economic development do not accommodate such economic principles. The history of the economies advanced capitalists countries including the US and Japan reveals that they “built their economies by wisely and selectively protecting some of their industries until they were strong enough to compete with foreign companies” (Stiglitz, 2002: 16)

#### **GOOD GOVERNANCE: THE WAY AHEAD FOR AFRICA**

One of the legitimate questions that may come to the mind of the reader is that, if Africa is this worse in the global system; and the global governance agencies and MNCs are exploiting the situation rather than helping, can Africa and other Third World countries not delink from the global economic system? To my mind the economic integration of countries seems irreversible. So, the answer to the question is quite obvious. Delinking is not an adequate response to economic globalisation and the neo-liberal ideology. The reason is that Africans do not have the skill, the technology and the instrument to be able to cope with delinking from the global economy. The fact is that even if African countries possess all the afore mentioned, it still does not mean that it can delink from the global economic integration.

However, if we examine the African economy vis-à-vis the global economy, it would be seen that African economies occupies a victimised position. This because, even though it is integrated into the global market; it is integrated only in a passive way. It can only adjust to the global system without being able to reshape or affect it in any significant way (Amin, 2003). In this passive state, the bulk of African population survive by their activities in the informal market. What I believe the governments in African countries need is a concerted effort to strengthen those institutions and structure that are able to survive in this state. To be able to do this the state (governments) needs to play an active role as did those of industrialised states.

The kind of state which the IMF and World Bank favour, that is, the minimum state is not the kind of state that can revering the Africa economy. What African countries need is responsible states that will take up the challenge of providing conducive environment for intergrated social, economic and political development. The kind of states that can withstand the pressure from the Bretton Woods institutions and donor countries which ask them to liberalise and privatise their economies prematurely; the kind of states that can build self-reliant industries, protect national sovereignty and ensures economic stability (Tandon, 2008) and the kind of states that will exploit natural resources for their own benefits

first before the global market. To yield to the pressure of IMF and World Bank is to leave both economic and political powers in the hands of these institutions and the multi-national corporations. The implication of the preceding analysis is that both the African states and the prescriptions of the Bretton Woods institution need rethinking. The African states need rethinking because of the way they unthinkingly accept the prescriptions without adequate consideration for the effects on the economy and the citizenry. And the Bretton Woods institutions should be reexamined for their lack of historical sense and inconsideration for the developing African states and peoples. It also implies that Africa can breakthrough into development by refusing to go to the path of these institutions.

What one is trying to say is that there is the need for good governance in Africa if it is to respond in a way that Africans will benefit in this era of economic globalisation. What good governance underscores is that, in the development process, the nature of domestic and territorial institutions are crucial. Growth takes place when there is an enabling environment. Without such an enabling environment for citizens, especially the masses to meet their political economic and social needs, the governments of African states cannot bring about sustainable development. The economic crisis management role which African states have assumed in the last twenty-five years has overshadowed the broad ranging obligations of government to their primary constituencies and this tends to delegitimise them.

Inferable from the above is the connection between good governance and sustainable development. Satisfying basic human need is at the core of the development orientation in sustainable development. This is clear when we look at the definition of the concept as offered by the World Commission on Environment and Development (WCED): “the development that meets the need of the present without compromising the ability of future generations to meet their own needs” (WCED, 1987: 41). These needs include: food, clothing, shelter, jobs and so on. And emphasis is placed on the essential needs of the poor which according to the report of the commission “must be given overriding priority” (WCED, 1987: 41). I think it is right to believe if the poor are left to grapple with the challenge of meeting their needs without the help of the government, they may be living in a dream land. African countries, therefore, need a kind of government that could respond to the challenge faced by the poor without requiring legitimisation from global powers. Governance enables the representation of the welfare, rights and interests of constituents, the creation and enforcement of policies and laws, the administration and delivery of programs and services, the management of natural, social and cultural resources, and negotiation with governments and other groups. And in Dodson and Smith’s perspective, the manner in which such governance functions are performed has a direct impact on the wellbeing of individuals and communities (2003). Good governance, then, is essentially concerned with creating the conditions for legitimate and capable rule, and for collective action. It leads to the social, cultural and economic developments sought by citizens.

It is interesting to note that in the last one and half decades, there has been the call for good governance from donor countries and Bretton Woods institutions. Good governance is used as part of the conditions for continued aid to developing countries. The problem, however, is that the kind of governance they favour would only make African states good abroad and irresponsible at home.

Governance refers to the behaviour and performance of government which include the exercise of economic political and administrative authority to manage a country's affairs at all levels. It provides the framework by which citizens and groups exercise their rights, meet their obligations and articulate their interests (Hamido, 2001). For Amuwo, three perspectives

of governance can be distinguished (2002). The first is the technocratic economic perspective. This is the perspective emphasised by the IFIs. Governance here refers to good macro-economics. It is the balancing of financial books to avoid payments deficits. In order to realise this, countries are supposed to follow the economic reforms set by these institutions. The second is the political perspective. Here, good governance refers to legitimate government, that is, a government put in place by the elaborate themselves and which keep in touch with the people always. The third is the ownership perspective which sees governance as ownership by the people of reforms and development programmes put in place by the government. This, for Amuwo (2002), entails participatory democracy, decentralisation of decision making centre of power in both political and economic sense.

It requires only little reasoning to discover the inadequacy of any definition of governance that sees it only in the economic or technocratic perspective. The problem is that it is lacking in the utilitarian dimension. The people who are supposed to be the real beneficiaries of the government are not taken into consideration. As Amuwo (2002) rightly remarks, it prioritises healthy GDP, GNP and balance of trade above the welfare of the greatest number of people. And if sustainable development has among its core priorities meeting the basic need of the people then, African states cannot follow the economic perspective alone. A good perspective on governance, to my mind, would be the one that combines the above three perspective while at the same time rejecting any negative elements in them. The call for good governance is a call for a reformed state, an active state which is governed by the principles of the rule of law, legitimacy, transparency and accountability. It is pertinent to note the admonition of Mecado that “globalisation is not a solution to under-development by itself. Good governance is a pre-requisite for the equitable redistribution of the benefits of globalisation and is thus a priority which should share equal place with trade reform, poverty reduction strategies and health programme in all countries, and especially in developing ones” (2000). Now, let us see further ways African states can rise up to the challenges of globalisation.

There is, I believe, the need on the part of African government for regional cooperation. Globalisation has brought about this regional cooperation in other regions of the world. In 1999, the world witnessed the economic and, to some extent, political integration of European countries in the EU with a common currency Euro. This has strengthened the European economy making it a strong contender with America economy and the dollar. Such regional cooperation has been in existence before now in Economic Community of West African States (ECOWAS), South African Development Community (SADC) and East African Community (EAC). The problem has being that they have had only minimal impacts on the economy of their regions. The problem may have been intra-state conflicts ravaging most African states. The regional cooperation would encourage trade between countries involved and would strengthen them so that they develop and become competitive enough for the global market. There is the need for the different regions to develop in the area of technology. The government has a great role to play in this direction. We need to process our raw materials which are sold cheaply in the global market. What we sell at the global market create trade imbalance that keep us not only poor but also always in debt. And on the part of the people of Africa, we need to be able to bear with our nascent industries and make sacrifices by patronising them even when their goods and services are not competitive enough compared to foreign ones. Given time these, industries will develop and will be able to satisfy our taste. This generation of Africa may not live to reap the reward of this sacrifices but the next generation will not continue to witness the irrelevance of Africa in the global market.

## CONCLUSION

It is evident that African countries cannot delink from the global economic system. However, this study shows that they need to respond to the problematic created of by the process globalisation, namely, the problem of their marginalised positions, the challenge of becoming responsible state in their constituencies and the challenge of deconstructing the hegemonic positions of the global economic powers vis-a-vis their states, the challenge of bringing about sustainable development and the challenge of becoming economically viable and competitive. In order to be able to respond to these challenges, we have recommended good governance in order to create for their respective governments legitimacy and peace at home and to create enabling socio-economic and political environment for the growth of the people. We have also recommended regional integration so as to create economic viability and competitive advantage.

We also like to say that transparency, accountability and honesty should be their watchword. In situations where they have to borrow from the financial market, they have to do so responsibly and sensibly. African leaders should look at their economies before borrowing so that they do not borrow beyond their capacities. Apart from this, whatever is borrowed should not be embezzled but should be used for the designated purposes, so that the upcoming generations (governments and peoples) will not just inherit debts that will reduce their capacities to govern and live well, but should be beneficiaries of the projects financed with such loans.

Let me conclude with the challenge that African states need to be driven by ideology. They need to recognise that America and Europe are being driven by a kind of ideology; the ideology that they are leaders and should remain leaders; the ideology that their values (cultural economic and political) should remain the only values in the world. This recognition should spur Africa states to formulate and be driven by a certain ideology. African states should not just be adjusting to the trends of globalisation and turn themselves being crisis managers only. This ideology should not just be any kind. It should be based on the lived experience of African and African states. It should be based on reality of our economic and social condition as a continent poor, hungry and indebted. This ideology should be strong enough to be deconstructive of Western hegemony.

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