

Globalization with a Human Face: Public Administration Challenges for achieving Sustainability and Equity

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1.0 Introduction

- Challenge for achieving sustainable and equitable development in SSA from current era of globalization and economic crisis
- Two extreme viewpoints on debates of globalization and sustainable development
- Mainstream view/ pro-globalizers: globalization fosters efficiency, growth and poverty reduction
- Opposing view/ anti-globalizers: globalization like SAPs worsens poverty and inequality and further marginalizes the poor
- Global financial crisis and contagion most severe crisis since Great Depression
- Conflict between globalization and core values of human development- sustainability, equity and empowerment of the poor. Large losses in HDI in SSA threaten gains in human development and achievement of MDGs
- What policy options for Africa's public administration to address human development challenges of globalization?

2.0 Theoretical and Empirical Perspectives on Globalization, Sustainability and Equity

- Empirical studies that suggest policies of globalization have positive impact on poverty and income inequalities reduction, Dollar and Kraay, (2000a) and (2000b), Wolf (2000), Sala-i-Martin(2002)
- Globalizers have overtaken the non-globalizers in terms of their joint GDP growth rates
- China's growth, which has been a major factor responsible for the reduction of cross-country inequalities, has been driven by increased opening of its economy
- Many backward countries have remained backward because they have not opened up sufficiently

2.0 Theoretical and Empirical Perspectives on Globalization, Sustainability and Equity

- Theoretically, globalization, lifting of trade barriers between countries, freer movement of capital across borders, a tendency towards the narrowing down of cross-country income differentials results from faster increase in per capita income in poorer countries
- Empirical evidence on intra-country and inter-country **income inequalities**, (Birdstall 1999, Cornia and Kiiski (2001), Sisira (2002) Wade (2004) and Basu (2005)
- Economies that experienced remarkable growth after liberalization also recorded adverse effects of globalization on income distribution
- Benefits of growth did not trickle down in full measure to the poorer sections of the population.
- Increasing income disparity within countries, coincides with the period of globalization, Maddison(2001), Milanovic(2001)

2.1 Key Issues in Sustainability and Equity

- Globalization is the elimination of barriers to trade, communication, and cultural exchange
- SD: 'Development which meets the needs of the present without compromising the ability of future generations to meet their own needs' (WCED,1987).
- 3 pillars:of SD: economic development: social equity; and environmental protection
- Past 2- 3 decades, SD generally taken as synonymous with environmental issues or climate change
- Development construed as economic growth measured by growth in GDP; globalization as the main development approach
- Other measures of human progress beyond GDP: HDI, Inequality Adjusted HDI, Gender Inequality Measure and Multidimensional Poverty Index (MPI)
- If no inequality, then IHDI equals HDI but is less than HDI with increasing inequality

2.1 Key Issues Sustainability and Equity (Contd.)

- SSA -region with the greatest divergence between IHDI and HDI signifying wide inequalities across its population in human development
- largest losses due to gender inequality are in SSA; arise from gender disparities in education, high maternal mortality and adolescent fertility rates
- Status of MDGs further indication of the pervading inequalities on the continent:
- Uneven and slow progress towards the MDGs marked by wide variations across SSA countries
- Most African countries off track in meeting most MDGs (MDGR 2009)

2.2 Globalization and Sub-Saharan Africa

- Africa strongly integrated into the global economy since the end of World War II
- Minimal effects of capitalist integration on sustainable development in SSA
- Sundaraman (2011) identified root causes and consequences of Africa's poor growth
- Benign view of external markets by liberalization policies of the Washington consensus and its promotion of the global trend towards greater economic liberalization

2.2 Globalization and Sub-Saharan Africa (Contd.)

- Real income growth lagged behind population growth from 1970-2000
- Modest growth rate of average per capita income declined from 0.7 per cent in the 1970s to negative growth in the 1980s and 1990s
- Recent pre-crisis growth rate associated with strong booms in commodity markets yet SSA lags behind other regions by most indicators of progress
- slow growth accompanied by poverty inequality and deindustrialization
- Of estimated 1,400 people living in poverty in 2005, 384 million or > 50% of SSA population are in SSA
- Purported benefits of globalization policies generating growth and human development disproved in reality

3.0 Public Administrative Challenges for Sustainability and Equity

- African public administration faced with the major challenge of managing an increasingly complex and connected global economy in context of minimal state
- Growing disillusionment over globalization's failed promises brings opportunity for sustainable development paradigm
- Financial sector should not be totally privatized/ profit-driven, need to reserve space for public sector involvement in critical sectors of the economy.
- Bank regulation to prevent the too-big-to-fail syndrome in banks; discourage elite capture of regulations; enforce sanctions on regulatory infringements by power brokers
- Increase in social inequalities erodes trust in just govt. therefore corrective measures are required to address weaknesses in regulatory regimes

3.0 Public Administrative Challenges for Sustainability and Equity

- Proactive governance with mechanisms for early warning signals
- Imperatives of good governance like transparency, accountability, equality before the law and use of checks and balances by the legislative arm to counter the excesses of the executive
- Decentralize service delivery, collaboration with NGOs and Private sector for service delivery
- Minimize resource degradation; promote efficient and sustainable use of natural resources
- Effective social protection policies are a sine qua none for poverty reduction beyond 2015.
- New generation of public administrative leaders with global perspective to manage globalization.

4.0 Conclusion

- Global crisis highlighted limitations of markets in delivering sustainable development
- Exposed limited ability of governments to contain the crisis given diminished scope for national decision making
- SSA's slow progress towards MDGs with wide variations across countries indicates pervading inequalities and mirage of sustainable development.
- Imperative of redefining and re-profiling Africa's public sector and Africa's public administration to deliver on sustainable development

Thank-you for your attention.