



GLOBALISATION AND RECOVERY: LESSONS FOR AFRICA'S PUBLIC ADMINISTRATION

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INTRODUCTION

- Globalisation has impacted events in different parts of the globe which many countries have found inevitable.
- It has become a major topic of discussion and concern in economic circles since the mid-1990s
- The trend toward more integrated world markets has opened a wide potential for greater growth and presents unparalleled opportunity for developing countries to raise their living standard (Ouattara, 1997).



INTRODUCTION (CONT.)

However, African countries have, by and large, been unable to internalize the mechanisms of sustainable growth. In addition, the fate of most African countries has been determined by demand dynamics, structured to rely disproportionately on external trade.



INTRODUCTION (CONT.)

It is against this backdrop that the paper attempts to identify different responses by public administration systems with a view to drawing lessons which may be beneficial to Africa's transformation agenda. In order to achieve that, the paper will thus focus on:



INTRODUCTION (CONT.)

- Development and Globalization: conceptual clarifications
- African economies and sustainable growth
- external demands and responses of African countries
- lessons learnt for Africa's transformation agenda
- concluding remarks



DEVELOPMENT AND GLOBALIZATION: CONCEPTUAL CLARIFICATIONS

Development involves:

- Economic growth
- Conditions in which people in a country have adequate food and jobs and
- The reduction in income inequality among the people
- “Complete restructuring and transformation in the area of political economies from dependent to self reliant economies”.



DEVELOPMENT AND GLOBALIZATION: CONCEPTUAL CLARIFICATIONS

□ **Development** in this context, refers to the people centred development in a community engaging in a social, physical, economic and political process of positive transformation towards a sustainable future.

□ Hence, people-centered development therefore, focuses on the well-being of people and their living systems while promoting the worth and dignity of citizenry.

□ It encompasses values change, popular participation, human resources development, gender issues, appropriate technology, children's issues and sustainability



DEVELOPMENT AND GLOBALIZATION: CONCEPTUAL CLARIFICATIONS (CONTD.)

- **Globalization** has become a commonly used word involving *worldwide integration* of economies, cultures, governmental policies, political movements, etc.
- Through globalization, people become more able physically, legally, culturally, and psychologically, to engage with each other in "one world"



AFRICAN ECONOMIES AND SUSTAINABLE GROWTH

- No doubt , Africa's economy has grown rapidly over the past decade, but how sustainable is this growth?
- For sustainable growth , there is need to implement transformation policies that expand the private sector, increase productivity levels and, most of all, create quality jobs



AFRICAN ECONOMIES AND SUSTAINABLE GROWTH

There are a number of things to be done to achieve sustainable growth and they include but not limited to:

- *jobs creation*
- *poverty reduction and*
- *risk diversification.*



JOBS CREATION

- Africa's biggest challenge today is the creation of stable jobs because many young Africans are either unemployed or work in low level jobs and remain in poverty
- Meaningful policies are required that create an enabling environment for job creation.
- Governments should identify a transformation agenda that will sustain growth and create decent jobs by diversifying growth sources toward labor-intensive sectors



POVERTY REDUCTION

Some of the problems confronting Africa are:

- Acute deprivation of basic needs,
- Inhuman degradation,
- Depressing socio-economic conditions of the masses and
- Physical disasters such as, floods, and rainstorms



RISK DIVERSIFICATION

- The continent is still heavily dependent on revenues from natural resources. As a result, Africa's future growth prospects remain vulnerable to external risks
- There is need for Africa to reduce reliance on natural resource revenues by strategically allocating funds and savings to modernize its economies and investing in key strategic including human capital, manufacturing and agriculture.



EXTERNAL DEMANDS AND RESPONSES OF AFRICAN COUNTRIES

- Globalization is an *irreversible process* and it benefits the industrialized countries because the economic activity at the global level lies in the hands of a very small group of individuals and companies.
- According to the former UN Secretary General, Dr. Boutros-Ghali, “African countries are rather urged to prepare the continent for the emerging trend if the continent is to remain relevant in the international system. He said further that, “Globalisation is an *irreversible process* and it does benefit first of all the industrialised countries”.



EXTERNAL DEMANDS AND RESPONSES OF AFRICAN COUNTRIES (contd.)

The end of the 20th century has ushered in unprecedented and largely anticipated changes, at least, not with the rapidity and decisiveness with which the changes occurred. There is now almost unanimous agreement that the African economy is not improving in any fundamental sense (Adedeji, 1993).to make matter worse, African states are not developing the necessary capacities to participate in, and exploit the new opening in the capitalist-driven global order (Ihonvbere, 2004).



EXTERNAL DEMANDS AND RESPONSES OF AFRICAN COUNTRIES (contd.)

- During his speech to African Heads of state and government in 2001 at Lusaka, His Excellency, Kofi Annan, made it clear that “Africa must reject the ways of the past, and commit itself to building a future of democratic governance subject to the rule of law. Such a future,” he continued, “is only achievable on the condition that end Africa’s conflicts, without which any amount of aid or trade, assistance or advice, will make the difference.



EXTERNAL DEMANDS AND RESPONSES OF AFRICAN COUNTRIES (contd.)

Globalization has become a phenomenon with disastrous consequences for governments and the peoples of Africa, such as: the integration of African economies into the capitalist economy thereby making “colonialism” a legal tool for the dependence of African economy on western economies. Privatization as a response, has intensified the integration of African countries in production and finance global systems, encouraging the flow of capital investment and attracting the ownership by foreign capital of former public-held companies. Africa thus became the dump place of a series of products that have little to do with African people,



EXTERNAL DEMANDS AND RESPONSES OF AFRICAN COUNTRIES (contd.)

- The shift to Poverty Reduction Strategies (PRSs) occurred as a result of the acknowledgement that many adjustment measures had generated negative impacts for the poor.
- Most African countries have not put in place strategies and policies to coordinate the agricultural, industrial and social sectors to generate significant value addition, employment, and incomes and to eradicate poverty.



EXTERNAL DEMANDS AND RESPONSES OF AFRICAN COUNTRIES (contd.)

- However, countries are building upon their experiences, and as they move towards the ‘second generation’ of PRSs more broad-based sustainable development concerns are in the context of the MDGs.



LESSONS LEARNT FOR AFRICA'S TRANSFORMATION AGENDA

- Although Africa's economy has grown rapidly over the past decade, questions are sometimes raised about the sustainability of this growth
- While some observers believe that the continent will play an increasingly important role in the global economy, others are apprehensive about whether Africa's current development is sustainable and inclusive.



LESSONS LEARNT FOR AFRICA'S TRANSFORMATION AGENDA (contd.)

- This highlights the need to implement transformation policies that expand the private sector, increase productivity levels and, most of all, create quality jobs.
- A robust structural transformation is the key to shaping Africa's ability to generate inclusive growth and tackle serious challenges, such as poverty and unemployment.



LESSONS LEARNT FOR AFRICA'S TRANSFORMATION AGENDA (contd.)

- Given the inevitable effect of globalisation particularly on African economies and development, African countries should strive, to develop the potentials for active and effective participation in the world economic order, i.e. the world economic integration process.
- There is need for repeated declaration of commitment to African development by African governments through sincere initiation of new but coherent approaches which will guide African development process and provide a framework for efficient resources mobilization.



LESSONS LEARNT FOR AFRICA'S TRANSFORMATION AGENDA (contd.)

- There is need for mobilisation, that will move the present nature of economic condition of African states from Primary/Consuming economies to a more matured industrial/manufacturing economies.



LESSONS LEARNT FOR AFRICA'S TRANSFORMATION AGENDA (contd.)

- There should be wide-spread of economic activities between rural and urban sectors.
- Economic stability, institutional building and structural reform, serious war against institutional corruption, etc. are very important apparatus for long-term solutions in attracting private investments.



LESSONS LEARNT FOR AFRICA'S TRANSFORMATION AGENDA (contd.)

- There is the need for adequate provision of appropriate incentives to increase the output and productivity of the real sector of the economy to enable the economy face the challenges of globalisation.
- Apart from fiscal measure/ incentives, the supply of infrastructure such as good roads, energy and water are necessary conditions, for attracting foreign investors and reduce of production cost”.



LESSONS LEARNT FOR AFRICA'S TRANSFORMATION AGENDA (contd.)

- In order to effectively participate and benefit from globalisation and avoid marginalisation, Africa should demonstrate the enthronement of good governance, which is essential in ensuring that the rule of law prevails and that transparency and “excessive governance interventions in economic management must be substantially curdled.



LESSONS LEARNT FOR AFRICA'S TRANSFORMATION AGENDA (contd.)

Above all, the issue of the excessive and increasing external debt, should be appreciably looked into because external debt rescheduling and servicing will only continue to ensure the underdevelopment of African States and as it were, this perhaps remain the major obstacle to African economic growth and development, creating political instability etc. and a great detriment to achievement of profitable participation in the world system.



CONCLUDING REMARKS

- It is misleading to describe globalization as a single process, or as having universally similar economic consequences.
- **Globalization** reflects a number of inter-related processes that are sometimes contradictory in their consequences: technological; economic; political; cultural; psycho-social



CONCLUDING REMARKS

contd.

- What is important to recognize is that within globalization new economic, environmental, social, cultural and technological relations are emerging, but by themselves they may undermine or enhance human development and security, depending on a range of specific and particular mediating variables.



CONCLUDING REMARKS

contd.

- Attention given to the impact of ‘globalization’ on African economies can be useful in terms of assessing the relationship between various and varied African countries and international trends, as well as determining how globalization affects both larger political systems as well as human security at the household and community level.



CONCLUDING REMARKS

contd.

- It calls for participatory and multi-stakeholder approaches to dealing with development issues, involving a wide range of actors- government, private sector, civil society organizations, institutions of higher learning and research and development partners.



Thanks for listening

Any Questions