

NES COMMENTARY. No.3



Network of Ethiopian Scholars (NES)

Title: Making African Integration at the Core of African Development and Structural Transformation!

'Out of a sample of developing countries, real wages between 1975-79 and 1987-1991 fell in 16 out of 24 cases. Generally the fall in equality, and wages, was greatest in Africa, Latin America, and the Middle East' World Bank figures

1. The Changing Global Environment Affect Africa

The global environment from the 60s to the 80s facilitated the public role to steer markets, education, infrastructure health and economy. As a consequence many African countries registered positive economic growth in spite of endemic corruption and unpredictable and unlawful patterns of governance arrangements in many of the existing post-colonial states. The world also enjoyed a global economic boom. World incomes rose including those from the developing world.

From the 1980s to 2000 the global environment changed dramatically against the poorer part of the world. African countries were trapped in debt and debt servicing when their economies were not growing and incomes were declining. This turn defined the mean temper of the time where rugged individualism, competition and survival of the

fittest were preached at the global level from the key Anglo-Saxon leaders of the world. The politics of economics was radically reduced to orthodox adjustment policies famously dubbed as the Washington consensus.

2. Africa and the World Economy?

The interesting question is how can Africans as a community emerge to deal with a world economy and globalisation by learning to insulate themselves, by not fighting or learning to be far when they are so near or in the world economy? This is a real common challenge for Africans. How can Africans collectively win by being in the world economy and without fighting it? How can they grow without fighting? How can they free themselves from debt and poverty without fighting?

The best available option is if they can centre the integration of their economies, their human capability building strategies and their infrastructure at the core of the development and innovative dynamics of their respective economies collectively and with an eye to forge together. This requires huge political will to re-orientate their economies by promoting the conditions where Africans learn and choose to consume what they produce first and not remain trapped in the logic of comparative advantage. It must be said much of existing economic theories including the sympathetic versions suffer not so much from a failure of not being able to picking up essential and core themes relevant to Africa's economic growth. No, that is not strictly the case. They suffer from framework deficiency, i.e., from a deficiency of failure to innovate both the Africa Nation and the Africa Economy as the driving engines of developing and structurally transforming Africa from poverty to prosperity.

3. Advanced Institute for African Integration Research

We need research and knowledge by creating the Institute of Advanced African Integration Research (IAAIR) with branches across the continent linked to policy makers, the academy, businesses and the trade unions and other civil society associations in order to find practical knowledge to find,

translate and interlock through knowledge, resource and commodity chains the African producer-user interactions to stimulate the innovative African economy.

Africans must learn to experiment practically how to implement integration rather than always talking the need about it. Almost anyone who cares to write about Africa's economic development always recognises the need for integration. This can be those economists writing from the Reaganite-Thatcherite persuasion or those who criticise neo-classical orthodoxy. There have been over 200 integration schemes, but as yet no substantial breakthrough has occurred on African integration.

4. Concluding Remark

50 years after Ghana's independence gives us a pause to raise this vital question. Why the core of Africa's development- is its integrations- have not been central to accelerate Africa's development, growth and prosperity? What is holding Africans back? Are Africans prepared to find renewed commitment to make and develop the African economy by integrating it at every level possible?

After decolonisation, we had the wind of change. African economies grew. Then the backlash from orthodoxy and the debt crises came. African economies regressed. The rise of Asia was celebrated. The fall of Africa was lamented. Africa still faces a difficult world environment that the MIT political economist Alice Amsden has described as 'hell' to undertake a root and branch development. Those who argue to form an African Union Government, if anything, have a point, to learn to deal with this negative pressure on African development as united Africans. Let the grand debate continue to make new Africa by making good the African Union Government.

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