



Africa In A Globalised World; Evaluation Of Globalization And Development In Africa

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ABSTRACT

The process of globalization, which has integrated the world into an accessible village, has increasingly challenged and shaped human behaviour and knowledge of economies, politics, and society within states. However, its sweeping effect is very profound in Africa. Despite the influx of enormous foreign aid, Africa remained largely underdeveloped due to the damaging effects of aid conditionality that usually accompanied it. Africans prefer imported knowledge to redesigning and showcasing their local contents to take its rightful place in a globalised world. This paper, therefore, seeks to examine Africa's development in a globalised world.

Keywords: Globalisation, Economy, Africa, Domestic, Bretton-wood

1.0 INTRODUCTION

Globalization has continued to shape the world politics from its conventional focus on the relations among individual states to include other non-governmental and independent actors on the global stage. The sweeping effects of globalization have drastically challenged the state-focus of world politics.¹ Also, the integration of other non-state actors into global politics and socio-economic relations has radically changed the individual and traditional process of governance, philosophy, marketing, cultural and religious values as well as production processes. This, in turn, has equally continually shaped domestic processes of governance, cultural, and religious values. The years that led to the emergence of globalization gradually saw the existing African values in politics, economy, spirituality, justice system and culture being upturned, branding them as backwardness and replacing it with western capitalist civilizations through colonialism, democratization, westernisation and liberalization.

The process of the integration of Africa into the globalised world is traceable to important phases of human history viz. slavery, colonialism, neo-colonialism and recently globalization.² The processes started with the emergence of the slave trade era triggered by the agricultural revolutions in Europe. The need to augment the agricultural production in Europe that saw an increase in the need for added and cheaper manpower. This period created untold damage to Africa's development and growth, and in contrast, brought about an increase in agricultural production in Europe. Furthermore, the industrial revolution and growth of several industries' need for increased labour and raw materials beyond the shores of Europe and the need for new markets for industrial products among others led to the partitioning of Africa at the Berlin conference of 1884. This saw the metamorphosis of the slave trade into colonialism, which can be defined as a direct political and economic occupation of a territory by foreign powers. The domination of African territories was majorly to administer and supervise the transfer of the abundant economic advantages (raw materials and manpower) in Africa to Europe and also create a market for European industrial goods and services.

In addition, the abolition of the slave trade gave the European powers the push for the formal and direct economic domination of Africa.³ However, colonialism retarded the growth of Africa against the assertions that it brought development such as education and technology. Colonial education was majorly literacy and training of personnel needed to further the exploitation of Africa.⁴ Furthermore, the agitations for self-determination of peoples following the end of the second European wars that led to the process of decolonization of Africa ushered in the contemporary phase of globalization.

Against this background, this paper examines globalization and Africa's development. It begins with a background to the study, conceptual and theoretical clarifications, Africa's development in a globalised world and recommendations.

Objectives of the study

The main objective of the paper is to examine globalization and Africa's development. However, specific objectives are to:

1. Examine the integration of Africa into the global economy;
2. Analyse the impact of globalization on African states; and
3. Chart a way Africa can successfully redesign its place in global politics.

Conceptual and Theoretical Review

Globalisation

The concept of globalization has been employed differently by different authors. It has been used to mean a market strategy, a philosophy, and political and social strategies.⁵ However, the consensus among scholars is that it ensures the interconnectedness of the world. Simply put, globalisation is an amalgamation of the world into an accessible and interconnected village, shaping domestic and traditional economies, philosophies and events thereby ensuring the proximity of economies, societies and politics. Similarly, globalization is the growing incorporation of economies and societies around the world into one entity.⁶ Also, globalization is simply the homogenization of politics, economics and societies and can be seen as the breaking down of barriers in the area of commerce, communication, culture and other related fields.⁷ Heywood observed that individual life and actions are intrinsically connected to the occurrence in other regions far from them.⁸ Globalization erodes the geographical distances and makes territorial borders and sovereignty less relevant. Central to this argument is that local and regional economies, politics and ideologies interact with the global economies, politics and ideologies. In addition, globalization ensures global social relations and creates an interconnection between local events and global events.⁹ Furthermore, globalisation is understood as the phenomenon by which markets and production in different countries are becoming increasingly interdependent due to the dynamics of trade in goods and services and the flows of capital and technology.¹⁰

Development

Development is explained to mean an all-inclusive process through which underdeveloped countries emerged from socio-economic regression to sustainable socio-economic and political growth.¹¹ Similarly, Walter Rodney in his popular book *How Europe Underdeveloped Africa* observed that development is a multidimensional process. He defines development at the level of individual and society as increased skills and capacity, greater freedom, creativity, self-discipline, responsibility and material well-being.¹² In addition, Stanley Igwe alluded to this in his book *How Africa Underdeveloped Africa* that development is an increase or improvement in the standard of living of a given society or country evident in improved literacy rates, high life expectancy, low poverty, and unemployment rates among other indicators.¹³ Development simply means a change from one situation to a better situation. For instance, a change from lower to higher stages, from primitive to advanced.¹⁴

Theoretical Review

This study employs dependency theory to provide theoretical explanations for the gap between the rich and the poor countries. Dependency theory can be traced to the writings of Raul Prebisch, Fernando Henrique Cardoso, Philip J. O'Brien, Gabriel Palma, Ronald H. Chilcote, and Claire Savit Bacha among

others.¹⁵ The major assumption of dependency theory is that the underdevelopment of third world countries is intrinsically linked with its integration into the global capitalist economies and the expansion of capitalist countries.¹⁶ Also, the richer countries became wealthy at the expense of the weaker ones as a result of the unequal trade between them.¹⁷ Furthermore, Farny draws a connection between the poor state of third world countries and their position in the global economic system.¹⁸ This theory explains the situation in which the survival of some countries is dependent on others. Furthermore, third world countries have common characteristics of dependency, poverty, corrupt and wealthy leaders, and major producers of raw materials and markets for the developed economies.¹⁹ However, this theory has been faced with several criticisms. The theory's insistent position that underdevelopment of the third world countries is connected with external factors and not domestic was criticized.²⁰ Despite this criticism, dependency theory is relevant because it explains the dichotomy of the 'haves' and the 'haves not's'. In the case of Africa, its integration into the capitalist global economy and the attendant effects of uneven exchange between the developed and underdeveloped countries have continued to hinder the developmental plans of Africa's countries.

Africa In A Globalized World

Africa was incorporated into the capitalist economies on the peripheral level and its evolution in the globalised world saw the conspiracies of the Breton Woods institutions – the International Monetary Fund (IMF) and World Bank.²¹ The inequalities that accompanied globalization successfully polarized the global economy into the global south and north. Africa's incorporation into the world economies and policies of the Breton wood institutions has continued to hinder long term strategies for African development. The International Monetary Fund (IMF) introduced the Structural Adjustment Programme (SAP) aimed at dealing with ailing economies and SAP was accompanied by conditionality to be addressed by domestic economies before the state can gain access to the institution's facilities.²² Core to the IMF's conditionality is the trade liberalization involving the total removals of trade restrictions such as tariffs between countries by encouraging free trade. Others include the withdrawal of government subsidies and price controls on essential products, devaluation of the currency, a cut in the grants and loans to public corporations, reduction of public expenditure, export incentives and commercialisation. However, African countries were keen to accept the IMF conditionality to be qualified to access the institution's facilities.²³

Generally, we must note that the developing economies are the major recipients of foreign credit facilities and the conditionality that accompanied it has damaging effects on the economic development and growth of African countries. The adverse effects of foreign facilities on African economies are not limited to the domination of Africa's economy by foreign actors, but also by encouraging ineffective and inefficient government, brain drain, and reduces foreign exchange earnings among others by the same actors. Specifically, the following will be discussed;

1. Domination of African economy

Scholars have argued that free trade triggers economic growth by providing opportunities for economic improvement, reducing market prices of goods and services to final consumers and granting opportunities for developing countries to harness comparative advantages in the global economy.²⁴ Despite the economic opportunity of trade liberalization that we are made to understand, it has a greater damaging effect on the domestic economy of developing countries, especially in Africa. It aids flooding of the developing economies with inferior and used foreign goods and increases cravings for imported over locally made goods and services. Ajayi alluded to this that free trade destroys national cultural and consumption values and increases the craving for foreign items. Furthermore, the removal of tariffs and non-tariff fees, such as duties, fines, and licensing among others denies the developing economies from accruing revenues on imported products.²⁵ It also endangers the survival of local producers.

2. Encourages ineffective government

Foreign facilities aid the sustenance of incompetent government.²⁶ Goldsmith described foreign aid as free revenue.²⁷ That is, foreign facilities are forms of income generated by the government without labour.

The influx of “free money” has hindered the government from finding policy alternatives to generate revenue to carry out its basic functions. Aids has continually prevented the African government from developing the institutional capacities to generate revenue through taxes in exchange for the provision of public goods and services.²⁸ In return, the people of Africa have not developed the culture of paying taxes.

3. Foreign exchange earnings

Another effect of IMF's conditionality is the devaluation of the currency which reduces the country's foreign exchange earnings in the global market. Export becomes relatively low-priced in the global market while imports become excessively expensive. Ajayi observed that the policy creates a resource gap for the developing countries necessitating increased foreign exchanges for its import.²⁹

4. Weak Institution

The failure of colonialism to establish workable and strong institutions has remained a stumbling block to the development of Africa.³⁰ Colonial education was majorly literacy and training of personnel required by the colonialists to further the exploitation of Africa.³¹ After independence, several states in Africa have witnessed a significant number of military coups and counter-coups, armed conflicts and even civil wars. The political instability has created unexpected challenges hindering the developmental plan of Africa. In the 1980s, more than ninety-two coups and attempted coups were recorded in twenty-nine African states.³² Recently, military coups were recorded in the state of Mali, Burkina Faso, Guinea Bissau, Chad, and Sudan. Brautigam alluded to this that political instability portends a huge reduction in the “production, investment and trade” thereby reducing the accruable revenue to the government pulse.³³ Tax collection becomes problematic as a result of armed unrest. The failure of accruing domestic revenue often leads to individual states governments being dependent on foreign assistance to carry out the responsibilities of government.

Such crises have roots in ethnic rivalry due to the partitioning of Africa without initial considerations of existing borders and it further weakened institutions in African states preventing the rule of law, justice, and lack of political will to provide essential amenities for the citizens among others. Nyamadzaw added that institutions ensure even allocations of state resources and adherence to the rule of law.³⁴ Similarly, many African countries still find it difficult to assert authority and legitimacy in their respective countries.³⁵ Weak institutions have created cosy accommodation for corruption hindering the development of Africa politically, economically and socially.

In Nigeria, corruption exists in the form of embezzlement, fund misappropriation, ghost workers in government agencies and parastatals among others.³⁶ Corruption has adversely affected the delivery of service and accountability, informed infrastructural decay, and has led to the subversion of the judicial process among others. The Nigerian government claimed to have expended huge public funds on power generation, transportation, security, petrol subsidy and poverty reduction with little or nothing to show for it.

5. Aid dependence

The indebted country has little to provide basic public services as a large percentage of the Gross Domestic Product (GDP) is used to service debt, hence, the need to secure more external facilities.³⁷ Aid dependence is an institutional problem of the government's inability to carry out its core responsibility of providing and maintaining essential social amenities like road infrastructures, electricity, and water, among others without foreign assistance.³⁸ It's an over-reliance on foreign facilities for national survival. Brautigam further observed that foreign facilities reduce taxes receivable by the recipient's government and this also increases the fiscal deficit. For instance, the imported goods and services by the foreign agency like their equipment are exempted from import charges. In addition, aids agency staff are often exempted from paying taxes.

CONCLUSION

In conclusion, the integration of Africa into the global economy and the developmental plans of the World Bank, and the International Monetary Fund (IMF) among others have continued to fail in their bid

to ensure development in Africa. Instead, it has contributed to the increase in endemic challenges of poverty, governance crisis, political instability, and aid dependence among others. Foreign aid is a credit facility, not a gift and has continued to reduce state capacities to deploy local solutions. Moreover, it's expected to serve the capitalist purpose of the creditors at the expense of the recipients. Similarly that foreign aid is a reflection of the interest of the creditors and their belief in the ideal form of development for underdeveloped economies.³⁹

RECOMMENDATIONS

Good governance spans beyond the periodic rituals of democracy. It involves the establishment of strong institutions and the output of such institutions like free and fair elections and strict adherence to the rule of law among others. The government are expected to look beyond the influx of free monies to develop the best alternatives to earn revenue in exchange for public services such as stable power supply, transportation network, and security among others. Similarly, Brautigam alluded to this to define good governance as the establishment of strong bureaucracy, strict adherence to the dictate of law, reduced corrupt practices and sustainable revenue generation.

Africans need to unlearn looking down on themselves and learn to face their intimidation and adversaries. Goods and services, knowledge, spirituality, culture and philosophies made and established in Africa shouldn't be regarded as an object of the second-order by Africans themselves. Africans first need to believe in Africa, make Africa works for Africans before the outside world can believe in it. This was what prompted Ezeobu (2017) to observe that the development of Africa rests simply in the "acknowledgement, authentication and mainstreaming of Africans' own traditional and indigenous knowledge in education, research, policymaking, governance, administration and across sectors".

Finally, the respective government in Africa must embrace south-south corporations, assert the legitimacy of government over its people, address domestic security challenges, and further embrace north-south dialogue to bid for the restructuring of the aid conditionality to be designed in line with the dynamics of Africa and the need to emerge from producing raw materials to adding values to the raw materials produced.

Endnotes

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