Some Thoughts on Africa
In the Year 2000

by Chester A. Crocker

We live in a world where the walls are coming down, opening up nations and societies to new forces and new opportunities. At one level, this is a liberating process. It makes possible previously unimagined levels of growth and freedom. At another level, it is a time of profound challenge, even threat, to established patterns and assumptions—a time of apprehension and fear as people worry about their futures, their status, physical and economic security, and cultural autonomy. Just look around. Look at the hesitation of some Asian societies before admitting a Michael Jackson rock tour to perform! Look at the West Europeans a few years after the Berlin Wall came down erecting new barriers to the free movement of goods and people from the east and the south. In the United States, look at the success of elements of organized labor and Ross Perot in stirring up fears of the proposed North American Free Trade Agreement.

What will be the place of Africa in this new world disorder? How will Africans cope with the collapse of old structures and familiar assumptions over the next decade? Will Africa—as doomsayers argue—become even more marginalized, a region left behind by history as a sort of global slum? These are big questions and I can only touch on a few of the key aspects.

This global pattern of revolutionary changes has its roots in the power of ideas, the liberating forces of information and communications technology, and the failure globally of governmental systems based on control and physical coercion of people. This is what explains the collapse of the authoritarian rule and socialist economies in places as diverse as Somalia, Nicaragua, Poland, South Africa, Zambia, and the USSR. That's the good news. The bad news is that the collapse of evil empires and failed systems creates a vacuum, not a new set of structures and rules. So my second point is that there is nothing automatic about free market reform and democratization. Soft landings are not guaranteed.
The Case for Afropessimism
Let's look more closely now at Africa and the case for "Afropessimism." First, Africa has a largely artificial state system recently imposed from abroad which does not reflect many natural or ethnic realities. African states were born of a brief colonial experience (in most cases less than 100 years), and they emerged as integral components of the cold war global system. By this I mean that these largely European creations achieved statehood and United Nations membership as a function of anticolonial pressures nourished by the cold war. Cold war competition and rivalry and support from ex-colonial powers sustained them, gave their governments legitimacy and assistance, and provided them with a measure of influence. They became junior partners in a sort of global singles bar—epitomized by the external props that sustained the cold war African system of the past 30 years have been swept aside. Governments that looked abroad for legitimacy and support can no longer count on receiving the backing of outside powers. Autocrats have lost their freedom of maneuver. They face their own largely disaffected people alone while outsiders demand that they address such "new" criteria and standards as democratic elections, good government, free market reforms, environmental protection, and women's empowerment. This sudden shift has opened the door to domestic opponents, political and labor movements, lawyers, journalists, and human rights activists and others to press for change. Sitting governments—across the African continent—have been weakened by this process.

At first glance, this massive change can only be judged to be positive for Africa and Africans. After all, few regions of the world have been worse governed or have seen such negative economic performance. A case can be made that almost anything would be better. But there's a bitter-sweet aspect to the shift. If it means a disengagement or abandonment of Africa by the Western-dominated global system, then Africa could truly be set adrift and left to rise or fall to its own natural level. This nightmare—if it happens—means the closing of embassies as foreigners depart from diplomatic outposts that once made sense. If the major powers now conclude that foreign assistance is just money down a rat-hole, then it means the withdrawal or leveling off of support during that most difficult of times—the time of fundamental change away from statist dictatorships. If these powers confine themselves to giving sermons to Africans and then washing their hands, it is a modern version of Pontius Pilate. If the major powers disengage from an active role in peacemaking, peacekeeping, and conflict resolution now that there is only one superpower and no evil empire, then we may actually be inviting a scenario of chaos in Africa.

Some of these trends have already started. If they continue, the scenario for Africa in the year 2000 is grim indeed. There are 53 states in Africa, making this the world's most balkanized region, featuring 36 states with populations of 10 million or less (18 with less than 3 million), 15 landlocked states (Ethiopia, Mali, Niger, Chad, Burkina Faso, Central African Republic, Uganda, Rwanda, Burundi, Malawi, Zambia, Zimbabwe, Botswana, Swaziland, Lesotho), and only 4 states of 40 million people or more. I am not only alluding to the question of economic viability and the general failure to date of regional economic integration in Africa. I am also alluding to the fragile basis for the institutional coherence and internal stability of Africa's European-designed multiethnic states. They were fragile even when African autocrats were bolstered by uncritical outside support.

Today, with that support in question and an ill-prepared UN system representing the primary basis for global order, the potential impact on Africa's fragile state system is only too obvious. Today, there are UN special envoys, observer and monitoring missions, or peacekeeping forces in eight African states (including two major operations in Mozambique and Somalia).

The Security Imperative
The UN record in Africa is by no means all negative. UN observers are performing creditably in Rwanda and South Africa. In Namibia, a large UN civilian and military mission helped usher that territory through one of the most democratic transitions Africa has ever experienced. But there is a real danger that a series of conflicts and crises is creating an ominous belt of disorder spreading from Somalia and Sudan in the Horn through Zaire and down to Angola. Mozambique is poised delicately between a successful or a failed peace process. In Angola, the UN verification mission of 1991-1993 can only be judged an international disaster, the responsibility for which lies on many sides but the real costs of which are being borne by Angolans. It will not suffice to blame the UN, because the UN in reality is ourselves; it has no capacity to act beyond that which we give it. It will be an
Some argue that the structural adjustment has brought austerity and huge social costs as health and education services have been cut and urban living standards have fallen without bringing significant new growth or jobs and without attracting major private investment to offset the reduced role of government. These critics reject the free market and export bias of structural adjustment and call for massive debt cancellation.

Supporters of structural adjustment, on the other hand, contend that the African economies would be in far more disastrous shape without these programs. The more successful “adjusters” are far better off, in terms of living standards, agricultural output, jobs, and growth rates than the laggards. The contrast is stark. Moreover, in a rational economic world there was simply no choice. African states would have to begin living within their means at some point or they would abruptly be cut off from the world economy.

Both camps have powerful arguments, though I tend to favor the latter. The important point, however, is that the African economic crisis remains and African nations with few exceptions are still falling ever farther behind.

The Continuing Economic Crisis
According to World Bank data, sub-Saharan African economies grew at about 2 percent annually during 1982-1992 (the figure was 8 percent in developing Asia). When population growth is taken into account, the result was a negative annual growth rate of 1.1 percent per capta GDP for the period—this despite the region’s receipt of $170 billion in net development assistance in the past 12 years and its huge 38 percent share of global aid to all developing countries.

Looking ahead, as the Financial Times (London) reports in a recent (September 1, 1993) supplement on “Africa: A Continent at Stake,” the Bank now projects that sub-Saharan Africa will see perhaps 3.7 percent annual growth over the coming decade—or 0.6 percent growth in per capita GDP. At such rates, Africans will wait 40 years to return to their mid-1970s per capita income. Africa’s share of developing-country agricultural exports fell from 17 to 8 percent between 1970 and 1990. In 1990 sub-Saharan Africa’s share of world manufacturing value-added languished at less than half of 1 percent (the figure is just under 1 percent if South Africa is included). The region accounts for a mere 1 percent of global trade. Worse, its share of global foreign direct investment fell from 4.5 percent in 1980 to 0.7 percent in 1990. South Africa accounts for some 50 percent of the region’s total; in the rest of sub-Saharan Africa, about three-fourths of such investment is in five countries, largely concentrated in petroleum and mining. These are Côte d’Ivoire, Zimbabwe, Nigeria, Gabon, and Liberia. Given such a record, it is little wonder that Afropessimism is fashionable today.

One problem with such an analysis is that it generalizes over too many countries. There are massive contrasts within Africa, and we can learn from them. In 1965 South Africa’s GDP was 10 times Zambia’s. By 1990 it was 30 times that of Zambia. The relatively successfully run African economies such as those of
A Southern African Economic Community?

Over 100 million people—a quarter of sub-Saharan Africa’s population—reside in the southern states of Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, Tanzania, South Africa, Swaziland, Zambia, and Zimbabwe. The World Bank’s categorization of nations according to per capita income supports the generalization that this is sub-Saharan Africa’s most economically productive region. Six of the countries—South Africa, Zimbabwe, Swaziland, Botswana, Angola, and Namibia—are among sub-Saharan Africa’s 15 strongest economies.

Moreover, unlike any other region of sub-Saharan Africa, the countries in the south are remarkably compatible in their judicial, financial, and institutional infrastructures. With the exception of Portuguese-colonized Angola and Mozambique (which are only gradually building closer ties with the local commercial network), all have similar tax structures, commercial codes, property laws, judicial processes, accounting systems and business styles, as well as a common language. Although a common currency does not exist, in practical terms the freely convertible South African rand serves a similar purpose in most of these countries.

With several excellent deep-water ports, redeemable rail systems capable of further integration, and major air links with most of the European capitals, southern Africa has the makings of a substantial integrated transportation and telecommunications network. In South Africa and Zimbabwe the region has the beginnings of a major money center, because the continent’s most sophisticated and active stock markets and financial institutions are in these two countries. Most important, the region’s mineral, oil, and agricultural potential has barely been tapped. Approximately 60 percent of the world’s gold reserves, 75 percent of its rare earths, 75 percent of its manganese, 65 percent of its phosphate, 55 percent of its cobalt, 90 percent of its chromium, and 60 percent of its diamonds are located in Africa, the vast majority in southern Africa.

Also noteworthy is the growing recognition by countries of the region that policy reform is as important as infrastructure when it comes to achieving economic growth. Within the past five years, Mozambique and Tanzania have scrapped the socialist models of the early postindependence period and opted for market economies. Angola is moving in that direction. Zimbabwe, despite a lingering allegiance to socialist rhetoric, is steadily giving greater freedom to the private sector. Subsidies are being removed, government regulations revoked, the civil service trimmed, price and labor controls lifted, and import restrictions relaxed. Virtually every government in the region has drafted a new investment code in an attempt to attract foreign capital.

Although [the Southern African Development Coordination Conference] was established in 1980 as a regional economic organization, its primary purpose was first and foremost the political isolation of South Africa. With the demise of apartheid, the political justification for SADCC’s original objectives will fall away, and more rational trade patterns can and will emerge. Member-states will have more freedom to act in their own national interests regarding South Africa, basing economic decisions on economic rather than political considerations. As a result, South Africa, Swaziland, Botswana, Lesotho, Namibia, and perhaps Mozambique could develop into a closely knit economic zone. The more likely prospect, however, is that SADCC will eventually evolve into a regional trading bloc or common market along the lines of the European Economic Community.

Although foreign investment is critical to growth in southern Africa, development capital will be difficult to attract in the immediate future. Eventually, however, growing economic integration of the region could attract outside interest in three-way deals linking outside investors, South Africa (with its infrastructure and expertise), and the neighboring countries.

One of the reasons for postindependence Africa’s economic decline is that there has been no country or region with sufficient economic strength to serve as a catalyst. With the emergence of a southern Africa free of the shackles of war and apartheid, Africa would finally have at its disposal the engine for growth that it so desperately needs.

What Is Needed in the Political Arena

A few words on the politics of democratization. Ghana’s first leader, Kwame Nkrumah, was right (though he didn’t mean it this way) when he said “seek ye first the political kingdom.” Unless the political transitions toward good governments and democracy come out right, it is hard to see how the economic equation can work. The liberating forces of the market and technology require not only stability but also an end to arbitrary or capricious rule and an enabling environment for businessmen, farmers, entrepreneurs, and all the others who are essential to a pluralistic social order. Economies will be depressed or stagnant as long as the rule of men takes precedence over the rule of law. And they require institutions that are allowed to operate rationally and effectively.

The democratic transition has now begun as African governments have been pressed to open up the political process. Elections have now been held or are scheduled in a majority of African nations. Political parties, a more diverse press, and a wide range of human rights groups have begun to operate in this region. And there have been some successes in addition to Namibia and Botswana. Ethiopia, long a land of despair, has begun to move toward a more open system amidst the turbulence of internal and regional war. Benin, Mali, and Niger have joined Senegal among the more open of the French-speaking nations. Zambia’s two-year-old democracy is still more or less intact.

But there is also a negative trend line. The process has been stopped in its tracks in several major countries such as Nigeria, Algeria, and Zaire by leaders who are not prepared to lose their power and access to wealth and who may sense that their opponents want only one election. The process has been thwarted or delayed in others such as Togo, Cameroon, Congo, Gabon, and Guinea, while in Côte d’Ivoire, Ghana, and Kenya incumbents have managed to outmaneuver, outbid, or divide the opposition, using the trappings of democracy.

Clear-headed thinking is needed about this business of democracy. It is a seed that needs fertile soil, a plant that does not grow overnight. Thought needs to be given to how candidates can lose elections without losing everything, and how a climate of tolerance and restraint can be nurtured. More of the public business—much more—needs to be transparent, and the interested public needs enough information to make reasoned judgments based on fact, not dark suspicion and devil theories. Whole classes of people—previously passive and completely cut out of the process—need a basis to participate. And each nation needs to find its own

Getting Africa’s Priorities Right

Africa is the only region in the world where government is the main investor. The results are painfully obvious. Assuming the military and political trends start to move in a positive direction, African leaders will have greater success in attracting private investment capital. But this is not enough. Nor will it suffice if there is greater accountability and transparency in the investment climate.

Africa needs a more diversified economy than one reliant simply on raw materials and agricultural exports if it is not to fall still farther behind. It needs to offer more than cheap labor. The region’s ill-trained labor force and its backward and balkanized physical infrastructure simply must be addressed. And they should be addressed regionally.

Second, the whole process of economic policy-making in Africa is too complex for the problems at hand—too many governments, too little regional coherence, too many international and nongovernmental organizations with their own bureaucratic procedures and jealousies, too many donors, and too little African capacity to absorb all the demands, advice, and priorities that come with money. Lesotho at present features 321 projects supported by 61 donor agencies. The World Bank is sitting on $14 billion earmarked for Africa that it cannot distribute. It’s absurd. And it leaves the private sector too often confused, dismayed, obstructed, and dependent on corrupt officials.

Third, the outside world is spending its finite resources across too many programs in too many countries. The reasons for this are essentially political. But the time has come to focus our efforts, to back winners aggressively, to identify poles of growth and help them escape Africa’s poverty trap.

Fourth, it is time for legitimate business—African and foreign—to speak up. In much of Africa, the only private sector left consists of enterprises dependent on cozy, corrupt links to government. Yet capitalism is alive and...
well in the hearts and minds of Africans—like everyone else. Human beings operate by incentives. The flight capital that has left Africa is estimated to be 80 percent of the GDP of the entire region. Just look how the return of Latin America’s flight capital is transforming that region, or how overseas Chinese capital is changing China. The time has surely come for legitimate business, African as well as foreign, to raise its voice so that officials and bureaucrats hear it. One message I know would be clear: permit economic incentives to operate, let people retain the value they add, pay your officials so they can function as proud, clean professionals. This is the way to create pluralistic societies where people succeed.

**Why Guarded Optimism Is Warranted**

After all this, you may ask if I’m an optimist. The answer is yes—guardedly. History is moved by people who believe in their goals and their fears. And I believe that the awful threats I’ve described are sobering up the thinking people of the continent—just as they eventually sobered up the leaders of South Africa. It is time for some sustained African leadership. It will come from many lands—from Egypt, Morocco, Senegal, Ghana, Côte d’Ivoire, Nigeria (but not yet), Zimbabwe, Zambia, Ethiopia, Tanzania, Botswana, Namibia, and Eritrea. And it will especially come from South Africa, long isolated from its own neighborhood but soon to join it and help lead the way.

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