AFRICA'S RESPONSE TO THE NEW SCRAMBLE: OPPORTUNITIES AND CHALLENGES

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Introduction

Looking back at the literature on African politics and development by Western analysts there has been a rather distinct difference between what has been said by academics and analysts associated with the donor world. The former have been quite critical, contributing to a rather pessimistic view of Africa's predicament and opportunities to move ahead on its own. The latter, by contrast, have offered a rosier interpretation often exaggerating its potential. The literature, therefore, has tended to lean toward the extremes – Afro-pessimism and Afro-optimism.

Such has been the Western discourse on Africa until more recently, when the steady parameters of the past have been challenged by a series of factors. One is the rise of new middle-level economic powers that become influential in the African context as they search for new sources of meeting their demand for natural and mineral resources. China and other Asian countries are especially prominent. A second factor is the decline but also reorientation of Western aid toward greater local ownership of the resources provided. Yet another factor is the rise in Africa of a more diverse middle class with interests other than those associated with government positions. Finally, there is a growing readiness in governing circles in Africa to appreciate the value of policies that generate macro-economic stability. These and some related factors converge to change the development scene in Africa and thus the framework within which it is best examined and understood.

The growing interest that the rest of the world now has in Africa is both a boon and a bane. As a "new scramble" for the continent's resources it is obviously a challenge, as Ian Taylor's presentation has shown. It is important to also recognize, however, that there are opportunities. The jury is still out whether the scramble actually is a positive or negative thing. This paper will try to address these issues from an African perspective. How are the countries – governments and people – responding? What are the strengths and weaknesses that determine whether these responses generate positive or negative outcomes? These are the basic questions that are being addressed below.

The paper begins by providing a historical vignette putting the current situation in a wider perspective before providing an account of how Africa is emerging and what the factors on the ground in Africa are that shape new local responses. It ends with a discussion of the need to recognize that challenges still remain and that "getting their house in order" is necessary in African countries.

A historical comparison

To place the current scramble for Africa's resources in perspective, it may be helpful to take a look at not only the situation at the time of the first scramble in the late 19th century but also the situation soon after independence when the sense of exploitation of Africa reached an ideological peak.

Beginning with the situation in the late 19th century it is clear that the African continent had little strength to withstand the invasion and occupation by the European military and economic forces. To be sure, there were military battles at the local level that Africans won and responses varied from one place to the other. Depending on local dynamics, some preferred to align with the colonial powers while others opted for resistance. The main point, however, is that African societies lacked the organization and technology to sustain their sovereignty against the military and economic supremacy of the colonial powers.

Colonization was brutal in most places and Africans were treated as inferior subjects but in a comparative perspective it came at a time when such treatment was becoming increasingly untenable. That is why colonization of Africa did not last very long – no more than three human generations. As an illustration, it may be worth recalling that Jomo Kenyatta was born in 1896, four years before the British had established control over Kenya, became a nationalist hero, and served as President of Kenya from 1963 until his death in 1978.

Colonization in Latin America lasted longer and what is more, independence came at a time in the early 19th century when pressures for democratization at home or in the colonies was non-existent (Young 1994).. This gave rise to a post-independence political development in these countries that was characterized by pre-modern features: feudal, patrimonial, and autocratic. These features generated instability in the form of peasant rebellions and military takeovers.

African colonization occurred at the time when the mother countries were embarking on democratization at home. As democracy was institutionalized and the principle of "one man, one vote" had been fully embraced, the discrepancy between how these countries treated their own citizens and their colonial subjects was becoming increasingly glaring. Educated Africans did not delay making this an issue, initially in calls for self-government, later on for full independence. After the Second World War, when Africans had served in battles together with citizens from the mother country, these demands turned into an irreversible flood.

The speed, with which Africans were able to reach independence in the early 1960s and subsequently after more extended battles of liberation, must be understood in the normative context of the time. Denial of civil and political rights was increasingly difficult to defend even in conservative circles of the mother countries. It was no coincidence that the African march to independence was shepherded by conservative governments in Britain as well as France.

There were of course those who argued that Africans were not yet ready for independence because their countries were not democratic. Furthermore, they were still economically poor with little of a domestic base for development. The struggle for independence, however, while conducted on the normative premise of equality and freedom, was never really about democracy but sovereignty. Africans wanted the right to make their own choices – their own policies. Thus, what happened on the road to independence is that politics ran ahead of economics. The gains made in the political sphere reflected adherence to a modern outlook. The creation of strong nationalist movements often bringing town and village folks together was an important part of this transformation and a legacy that has influenced party developments even as late as the more recent wave of democratization on the continent (Hyden 2006).

This gap between political and economic development is important for understanding the frustrations that emerged around Africa after independence. The structuralist outlook that was brought by dependency and underdevelopment theories in the late 1960s and early 1970s reflected it. Political independence had come to mean little because economically African countries remained closely tied to the core of the capitalist world economy (Amin 1973). Africa was not yet free, as Kenya's Vice President, Oginga Odinga, argued at the time (Odinga 1967). Driven by this frustration, many African political leaders adhered to the belief that cutting the ties with the capitalist world economy and joining the socialist world was a feasible alternative. Nationalization of foreign assets and full state control of the economy became the necessary first steps.

The tragedy for the African countries that chose this path is that while it had been possible to make political gains within relatively short time through collective action, transforming and developing the economic base proved much more difficult. In fact, the socialist measures that were taken by the African governments made a difference to the worse rather than better. A costly bureaucratic edifice on top of a largely agricultural economy with very limited domestic capital formation and low potential for productivity rises sucked these countries dry. The progress that had been made in the first decade after independence was annihilated during the 1970s. By the end of the 1970s, this attempt at fundamental economic transformation had run its course. African governments had undermined their own ambitions by trying to move too fast. It was becoming clear that there are no shortcuts to progress (Hyden 1983).

The story since then has been the gradual structural adjustment that was imposed by the international development community in order to achieve a new form of macro-economic stability based on neo-liberal principles. This adjustment has been painful but it is also clear by now that many gains have been made. Inflation is under control; trade has not only increased but diversified; and per capital incomes are on a constant rise again. This does not mean that every aspect of what is going on is acceptable. Absolute poverty remains high a relative poverty has increased; corruption is endemic many government institutions; and infrastructure continues to lag behind.

Emerging Africa

Even if the last three decades have been challenging for African countries, they have been able to get their economies in order, a precondition for continued development. They are now integrated into the global economy in a manner that was never the case before. They have been obliged to join the capitalist band-wagon and there is a growing realization that they will survive only by staying onboard. This is a new insight that has taken hold in African government and business circles. It was never there before. During colonial times the attitude was to resist colonial attempts at economic transformation. This was particularly true in the agricultural sector where indigenous practices were preferred over those brought by colonial officials in the name of science (Cliffe 1964). After independence the search was for an alternative to capitalism. Thus, what is being referred to as “emerging Africa” is a continent that is rising, not in a vacuum but rather in an increasingly competitive global economy. Doing so from the peripheral position that it has begun this ascent has not been easy but as a volume produced and edited by African economists (Ndulu et al 2007) demonstrates, since 1995 there has been a steady growth. More specifically, between 1995 and 2005 the median income for Africa (sub-Saharan) rose 20 percent. Being an integral part of the global economy does not lead to underdevelopment but rather progress, even if it means that it is hard earned.

An increasing number of analysts and agencies have come to realize that significant and interesting things happen in Africa. For example the report of a global consulting firm points to the emergence of global competitors with an African base. Those that have succeeded like Nigeria’s Dangote Group or the South African Breweries have not gone for quick profits but have adopted a long-term vision and strategy (Boston Consulting Group 2010). They have been able to avoid the short-term pressures typical of public companies. The report identifies forty “challengers” that are regionally or globally competitive. Most are concentrated to Egypt, Morocco, Nigeria and South Africa but they can be found elsewhere too like EcoBank which is headquartered in Togo. There are also a number of semi-public challengers like Kenya Airways and Ethiopian Airlines that are not even included in the number.

According to another consulting report, although Africa’s growth and development in the past decade has been widespread and by no means confined merely to resource exploitation and export, African countries are at different points in their development (McKinsey Global Institute 2010). An already diversified economy like that of South Africa has significant manufacturing and service industries. It is Africa’s growth engine although with higher labor cost per unit their expansion on the global market meets with its own challenges. The continent also has a significant number of oil exporters, notably Algeria, Angola and Nigeria. These countries have the highest GDP per capita income but their economies are also among the least diversified. Many of the successes like Ghana, Kenya and Senegal fall into the category of transition economies. They have lower GDP per capita income than the countries in the first two groups but their economies are growing rapidly. Although the agriculture and resource sectors are important, these countries also export manufactured goods like processed food, chemicals, apparel and cosmetics. The fourth category of countries consists of pre-transition economies like Democratic Republic of Congo, Ethiopia and Mali, also some of the poorest countries on the continent. Conditions among these countries vary, but one common factor is the shortcomings of basic economic variables like stable governments and a functioning and reliable market to facilitate trade and export of what is being produced.

The notion that some countries are doing better than others and are making more out of their economic integration than others is also the core argument of yet another attempt to analyze "emerging Africa" (Radelet 2010). He divides the countries in sub-Saharan Africa into four categories: (1) emerging countries, (2) threshold countries, (3) other non-oil exporters and (4) oil exporters.

Of these four categories, Radelet pays special attention to the first because the trajectory of these countries is the most impressive. This group consists of 17 countries[1]. Between 1996 and 2008, average incomes in these countries increased by 50 percent in real terms, a significant turnaround caused by a rapid expansion in trade, investment and private business activity, improved education and health indicators, and a move toward democratic governance.

The threshold countries[2] do not have quite the same high and consistent economic growth during the same period as the first category and falls slightly behind. Yet these countries have shown progress on a range of economic, social and political indicators suggesting that they are on track toward a sustainable growth trajectory similar to the first category.

The other non-oil exporting countries[3] have shown relatively little change in income levels, social indicators and governance since the mid-1990s. Some have even retrogressed, especially those that have been afflicted by ongoing conflict.

The fourth category – the oil exporters[4] – is made up of both good and bad cases. Some oil exporters have shown increased incomes combined with reduced poverty rates and improved

[1] The seventeen countries, in alphabetical order, are: Botswana, Burkina Faso, Cape Verde, Ethiopia, Ghana, Lesotho, Mali, Mauritius, Mozambique, Namibia, Rwanda, Sao Tome & Principe, Seychelles, South Africa, Tanzania, Uganda and Zambia.

[2] The threshold countries are: Benin, Kenya, Liberia, Malawi, Senegal, and Sierra Leone.

[3] The other non-oil exporting countries are: Burundi, Central African Republic, Comoros, Democratic Republic of Congo, Cote d'Ivoire, Djibouti, Eritrea, The Gambia, Guinea, Guinea-Bissau, Madagascar, Niger, Somalia, Swaziland, Togo and Zimbabwe.

[4] Oil exporters are: Angola, Cameroon, Chad, Republic of Congo, Equatorial Guinea, Gabon, Mauritania, Nigeria and Sudan.

social indicators. Others, though, have made not achieved any improvement in income growth, social indicators or governance. Because of the volatility of oil prices and other factors surrounding the record of these countries, Radelet avoids talking about this category in a systematic way.

One can clearly argue about the various classifications that are attempted in order to show what is happening in emerging Africa. Meaningful categories have been notoriously difficult to establish and they tend to change from year to year. They certainly vary from one analyst to another. In Radelet's case, one can question whether the distinction between oil producers and others is as clear as he makes it. For instance, a growing number in his "emerging country" category, e.g. Ghana, Tanzania and Uganda, are also becoming oil producers and oil exporters. There is also a question whether a country like DRC, which does not export oil, but exports a wide range of precious minerals, does not face many of the same challenges as the oil exporters.

The main point that Radelet and fellow analysts are making is that some countries are better placed than others to participate in the global economy and handle the new scramble that growth in the middle-income countries is causing. There are a number of factors that explain this variation in strength and capacity: (1) the composition and role of the middle class, (2) the changing relation with Western donors, (3) the readiness to comply with international standards, and (4) the role of information technology.

Explanatory variables

The middle class

Defining what a middle class is a controversy in and of itself. In trying to define it, there has been an argument whether to use a logical or sociological approach. The former suggests that the middle class is in-between, whether that is between very rich and poor or lord and peasant. This definition, for instance, is often used in the United States politics where the average American worker is the core of this class. They have made it out of poverty – often as new immigrants – and are now living what is referred to there as "the American Dream". In European and Asian – and one might wish to add Latin American – circumstances, it is not so much income as history that defines its position in-between. The middle class has been defined as a group distinct from the aristocracy but also workers and peasants. The notion of "class" in these societies is not merely a statistical category but a subjective consciousness. In this respect, it is not surprising that class analysis has been a major intellectual preoccupation in Europe, Asia and Latin America while not in North America.

Attempts to analyze the African situation have largely followed the pattern adopted in Europe and Latin America. They have been inspired by the Marxian notion of class as an "objective" phenomenon produced by economic forces – in the contemporary setting by capitalism (e.g. Mamdani 1976; Gutkind and Wallerstein 1976). In the 1970s, when this approach reached its peak, it was common for analysts to attribute Africa's underdevelopment to class exploitation. As, for example Shivji (1975) argued, the political and administrative elite – the "bureaucratic bourgeoisie" – was merely the handmaiden of Western capitalism. The true force for development was the peasants and the workers, identified as the progressive classes.

Much of this analysis amounted to no more than wishful thinking and was in many respects highly misleading. First of all, the problem in Africa was – and still is – that in the truly Marxian definition of class, the challenge for African development is not the presence of class but – if not its complete absence – its feebleness. Social differentiation and social stratification in African countries are still far from producing the forces that drive progress as a rational project. Second, while there is plenty of exploitation in Africa – not just by foreigners but as much by indigenous individuals – it continues to take forms other than class. Social relations tend to be based on affective criteria such as community and family. It is as much within these as between such categories that exploitation occurs, patriarchy and "big man" rule being common manifestations.

The Marxian approach has of course lost most of its appeal but the notion that the middle class is exploitative has remained in many circles, not the least among donors who have continued to believe that national development is best served by reducing poverty. It is only very recently that the tone of the language has begun to change. There is a greater readiness, not the least in African circles, to recognize the historical role of the middle class in development. After all it was the latter that put an end to all feudal, patriarchal and, what he termed "idyllic" relations. Through its exploitation of the world market it gave rise to a cosmopolitan character to production and consumption in society. National narrow-mindedness became increasingly difficult to pursue. What Marx referred to as "even the most barbarian nations" were being brought into civilization thanks to the bourgeoisie. Barrington Moore Jr (1966) followed up on this argument based on his study of how 20th Century democracies and dictatorships arose and added the important point that without the bourgeoisie there would be no democracy.

This perspective on history and how countries develop has gained renewed relevance in the light of globalization and the growing significance of emerging nations in the global economy. The middle class or bourgeoisie is by no means the answer to everything. Its role, furthermore, is sometimes controversial and contested. Both Thailand and Turkey are examples of countries where the middle class has grown rapidly in the past couple of decades but where it has also split and become a source of instability. In a longer historical perspective, however, these two countries do not tell the whole story. On the contrary, the middle class has not just been modernizing pioneers but typically also a social force for stability and moderation. It is by nature inclusive and heterogeneous. It stands for reform rather than revolution and because of its role in society it tends to be pragmatic. Even when its members have been on the barricades fighting for civil and political rights it has been in the name of universal values and principles. The wave of democratization that spread in the 1980s and 1990s in Southern Europe, Latin America and eventually in Eastern and Central Europe was led by middle class groups. The recent rebellions in the Arab world have similarly been headed by the middle class.

The middle class in Africa is still comparatively small and its ability to act in unison is sometimes hampered by ethnic divisions, as the challenges of the economically successful cases of the Ivory Coast and Kenya indicate. There are still doubts whether the middle class in multi-ethnic societies can overcome social divisions within itself. Yet, if African countries are going to be able to handle their integration into the global economy in a constructive fashion, a middle class that acts in a unison manner and with a cosmopolitan outlook is likely to be a necessity. These qualities are present in some of the countries that Radelet calls "emerging" but not in all.

The Western donors

The second factor of significance is that Africa's relations to its Western donors is finally beginning to be called into question, not just in the donor countries but in African countries as well. For several decades now, African countries have been excessively dependent on foreign aid and donor priorities but this relation has over the years increasingly become a security plank for African governments rather than a contribution toward development of their countries. Because the policy orientation and policy environment of these countries remain so weak, foreign aid tends to have the effect of reducing the pressure on these governments to take charge of their own destinies. As Moore (1997) and Kjaer (2002) show, governments in this situation become more accountable to foreign governments and international aid agencies than to their own citizens.

The double tragedy is that not only have African governments displayed a high degree of dependence on donor priorities, but the donors have themselves little influence over how these priorities are put into practice. Thus, these governments and their donors sign agreements about priorities that stand little chance of being implemented.

Criticism of foreign aid has been difficult over the years because the donors have been major funders of aid evaluations and largely immune to criticism. For instance, the discourse has been about "aid" dependence rather than "donor" dependence. Dependency has been interpreted largely in economic terms by the donors without a concession that they may be as much part of the problem as the solution. The efforts since the early 2000s by the donors to harmonize and coordinate the design and evaluation of their aid, however, have made the political dependency on the donor community more apparent and controversial in an African perspective. The OECD and the United Nations, through its Millenium Development Goals, have forced a specific agenda on African countries that an increasing number of local actors in these countries are questioning or outright rejecting.

One of the most ferocious Africans to criticize foreign aid and the donor dependency has been Zambian economist, Dambisa Moyo. Her book, *Dead Aid* (Moyo 2009) became a bestseller in the U.S. and Europe not so much because it said something new but because the critique came from an African source. It proved to be a both refreshing and crisp assault on the corporate donor community as well as the limited results that aid can demonstrate on African soil. She also includes a critical reference to Hollywood and other celebrities who take on the role as protagonists for aid to Africa without first examining what its potential consequences are in these countries.

Moyo is not the only one who has expressed reservations in recent years. Much of the disapproval has focused on the global development agenda with its emphasis on poverty reduction. An increasing number of people have argued that it is like placing the cart before the horse: you cannot have poverty reduction without first having economic growth. This position is certainly the one that has been taken by the NEPAD Secretariat of the African Union. Its executive director, Dr Ibrahim Mayaki had this to say:

> African leaders must cast aside a tendency to ”manage poverty” and instead pursue basic economic growth if they want to improve the lives of their people….If we stick to the paradigm of “how can we manage poverty and reduce it?”, we won´t be able to develop Africa…It has to be radically different *(*Mayaki 2010).

This rejection of a global agenda as the best guide for African development is receiving a boost from the rise of middle powers like Brazil, China and India with which African countries have increasingly close relations, both economically and politically. The OECD donor dominance is being challenged by members of the political opposition and the business community in many of these countries. There is a practical, not just intellectual, realization that development. African countries have other avenues to move forward than relying on the conventional donor agenda. This does not mean the end of foreign aid, but it calls into question how foreign aid can, if at all, be a more effective contributor to African development.

The main point here is that with a more diverse middle class and with a sense that African countries can take advantage of the competition between their traditional Western partners and the new emerging economies in Asia, there is a greater readiness on the part of African analysts and policy-makers to take a second look at foreign aid and donor dependency. This takes place not only at national but also continental level. The broad African opposition to the proposal of an Economic Partnership Agreement brought by the European Union with a promise of mutual benefits is a case in point.

International standards

The premise in the international community has for the past two decades been that good governance is a precondition for social and economic development. Western donors have pursued this with little or no reference to historical experience. In the political science community, scholar have preferred to follow in the footsteps of Dahl’s theoretical approach (Dahl 1971) to democracy rather than Lipset’s political economy approach (Lipset 1960) to understanding the conditions under which democracy develops.

One questionable implication of this hegemonic view in scholarly and policy circles in Western countries has been that aid conditionalities have been raised around a thesis that implies that democratic governance can be accomplished in any conditions at any time. An industry of governance indicators and governance assessments has arisen in its shadow. With the help of such instruments as the World Governance Indicators (WGI) produced by the World Bank, not only have countries been "named and shamed" but they have also been subject to conditionalities built on wishful thinking rather than empirical evidence. African governments have been at the receiving end of the donor whip and it is no surprise that their willingness to adhere to these conditionalities has been very limited. They have really had no incentive to comply and instead, they have dragged their feet or tried to get around these donor requirements.

It is only more recently that this has begun to change. Two aspects of this process are especially relevant here. The first is that the donors have realized that the carrot may work better than the whip. The other is that with a more consistent exposure to the global economy and what it means to manage national economies in such a context, African countries have acquired greater competence in managing their economic affairs.

The donors may still relate the provision of aid to good governance but they are more sanguine about it and nowadays tend to take a more moderate view of what can be achieved by placing good governance conditions for their aid. Such an imposition tends to occur these days only if a serious breach occurs like the military coup in Mali in March 2012. In such cases, aid is immediately suspended. Apart from these extreme cases, however, the donors are now adhering to the principle that local ownership of their aid is preferable and the donors themselves have an obligation to cooperate to make aid more effective. Although these principles, initially endorsed in the 2005 Paris Declaration, are questionable and thus controversial, they have been allowed to shape the policy discourse in the international development community in recent years. In this discourse the emphasis is also laid on the premise of "mutual accountability" and the importance of policy dialogue to realize it. In short, more weight is placed on moral persuasion than political or economic pressure.

It is too early to say whether this new approach really pays off in terms of better governance, but it has had the effect of making donors more sensitive to the conditions underlying governance in African countries. They have become interested in political economy analysis. This has become reality not only among bilateral donor agencies but also in the World Bank (Fritz et al 2009). In some circles there is a readiness to go as far as arguing that improved governance will come by "going with the grain", i.e. building on what already exists on the ground in these countries (Kelsall 2008). Above all, there is recognition that it is domestic social forces rather than the donors that will in the long run make a difference to the quality of governance. Local rather than international pressure is likely to be more sustainable.

These pressures do not come just from a political opposition but also from the growth of the professional cadres. There are a growing number of African economists who have been groomed in orthodox macro-economic management at the national level and/or in international organizations. It is no exaggeration to mention here the role of the African Economic Research

Consortium which started in the early 1980s with support from the International Development Research Center (IDRC) of Canada and quickly attracted support from a much broader consortium. Through its Master's programs and other capacity-building initiatives it has helped produce a new generation of more competent economists, many of whom have reached peak positions in their respective home country. Central bank governors, Benno Ndulu of Tanzania and Chukwuma Soludo of Nigeria, are only two such prominent examples.

There may still be shortcomings in the way African economies are being managed and with the financial and economic crisis that has plagued much of the global economy in recent years, these economies have been rattled by forces beyond the control of local interventions. The days of hyperinflation, multiple exchange rates and black markets to buy foreign currency, however, are gone. As Radelet (2010:77) notes, budget management is now much more prudent with smaller deficits, more publicly disclosed audits and less borrowing against future generations. The notorious marketing boards that sucked money out of the rural economy are largely gone and the state is no longer the heavy hand it once was in deciding the destiny of these countries.

This means that the basis for policy action is increasingly becoming domestic. There is a new sense of self-confidence in African government circles that they can tackle development issues on their own – or at least within a framework that reflects their priorities and interest rather than those of outsiders. They are ready to stand up or stand their ground not only on superficial political grounds but also on more solid economic grounds. This is particularly true in the countries that are already doing well, those that Radelet refers to as "emerging".

This discussion would be remiss without reference to the African Peer Review Mechanism (APRM), the instrument that African countries have adopted under the auspices of the African Union to engage in self-assessments of their governance systems. Adopted ten years ago by the AU through its New Partnership for Africa's Development (NEPAD) it has had a mixed record. Some of the doubts expressed by Taylor (2005) concerning its ability to improve governance are still valid. Many governments have ignored it altogether although by two dozen countries have already completed the self-assessment ore are in the process of doing so or to start the exercise. Other governments have embarked upon the exercise but have insisted on a rather tight control of the process. Furthermore, the exercise has turned out to be too complicated and time-consuming. Willingness to follow up recommendations made by the assessment, therefore, has not been overwhelming.

The APRM, however, is not a useless exercise. It has shown a readiness on the part of governments to engage international issues of governance and allow civil society and private sector representatives to participate. Discourse on governance in these countries has become focused on domestic issues and thus relevant to local stakeholders. Representatives of views other than the official government position have gotten more attention. Overall, government leaders have become more aware of the costs of not adhering to international standards with regard to such issues as human rights, environmental protection, and economic policy management. Thus, African opinions – not everywhere but in many countries – of what is right or wrong in the fields of governance and development have become more mainstream.

New technologies

Technologically, African countries still lag behind the rest of the world. They have less of domestic manufacturing than most other countries. They spend less on research and development. Their own training and educational institutions do not just fall short in terms of quality but also relevance. Despite these shortcomings, there is technological progress that has a bearing on the continent's ability to make progress.

There has been much discussion about the digital divide in Africa – between Africa and the rest of the world as well as within countries between urban and rural residents. Some of it still prevails but one of the most startling developments in Africa in the early 2000s has been the spread of cell phone use in the countryside. Peasant farmers who used to live isolated and without access to vital information e.g. regarding prices of their crops, are now capable of checking prices with government advisors or other informed people in the cities where their produce sells.

In East and South Africa, banking has become the next innovation using the cell phone. Money transfers using the phone have become commonplace and are responsible for an increase in remittances between rural and urban kith and kin.

Yet another innovation, mentioned by Radelet (2010:119-20) has taken place in the field of public health where mobile technology supports both prevention and treatment. Health officials and providers can disseminate information more effectively and quickly to patients. For example, this happens with HIV/AIDS patients in Rwanda. This allows the health system to follow up with and track patients even if they move and change clinics. Mention is also made of doctors in remote rural clinics performing diagnostics virtually by using their phones to send images e.g. of blood smears or eye problems to an urban hospital. South Africa has developed an innovative pill bottle equipped with mobile technology to remind patients not to forget to adhere to their medication regiment.

These are some of the powerful examples of how Africa's periphery is being bridged using modern technology. Many challenges remain, not the least with how to make small-scale agriculture in Africa more modern and scientific but even there things are happening, e.g. with regard to the adoption of new and more productive varieties.

Challenges outstanding

Whether or not Africa's ability to respond to the new scramble rests on the shoulders of 17 "emerging countries", the years ahead are likely to demonstrate unevenness in progress among the countries of the continent. Ten years from now, public discourse will not refer to Africa as a laggard region, but to some countries being "lions" or "cheetahs" while others being "ostriches", having buried their head in the sand. It would be positive thing if the discourse became more differential and ceased talking about Africa as if it is homogenous. The latter is increasingly less the case.

While one should anticipate that the capability to deal with external interests and demands will vary from one country to another, there are a series of common challenges that all African countries are likely to face based on their closer integration into the global economy. They are more than are being discussed here. Moreover, not every analyst would identify and describe the same way as being done here. Yet, these are some of the more fundamental challenges still outstanding: (1) ownership and use of agricultural land, (2) managing relations with China, and (3) strengthening the education systems.

Agricultural land

Agriculture is the foundation on which Africa's development is most likely to take off in a sustainable manner. Yet, it is also the weakest link in the development chain largely because of two things: (a) the communal land tenure systems still prevailing, and (b) the ultimate owner of land being government. These two structural factors, more than any other, help explain why these countries have not already taken off.

The prevalence of customary land tenure based on clan ownership means that very little land is for sale in the market. It sits idle and in many instances regresses in quality as younger generations move to the cities, die of AIDS, or spend more time on off-farm than on-farm activities. Small-scale peasant farming in Africa, while changing to market-based crops in some areas, remains a challenge because it is not modernized and easily accessible to sustainable productivity increases.

Because communal tenure dominates, government is the ultimate arbiter on issues of allocating land. In countries like Tanzania, these decisions are, in principle, in the hands of elected village councilors but in most countries decisions are made by administrators, often in the capital. This system is liable to misuse and litigation over how plots have been allocated in urban areas is one of the most common types of court cases. Much has been written, especially in the public media, about "land-grabbing" in Africa.

The notion that land is being grabbed from Africans by foreign investors is a slanted interpretation that does not tell the whole story. The decision to sell land lies with African government officials. Second, to deny that these sales are also potential investment opportunities with gains for local stakeholders is a mistake. A study (Cotula et al 2009) financed by United

Nations Food & Agriculture Organization (FAO), the International Institute for Environment and Development (IIED) and the International Fund for Agricultural Development (IFAD) indicated that the following could be said about large-scale land purchases in five African countries (Ethiopia, Ghana, Madagascar, Mali and Sudan):

- Significant levels of activity – the quantitative inventories documenting a total of 2,492,684 ha of approved land allocations between 2004 and 2008 in the five study countries, excluding allocations below 1000 ha;

- Rising land-based investment over the past five years in all five countries and anticipated growth in investment levels in the future;

- Large-scale land claims remaining a small proportion of total suitable land in any one country, but most remaining suitable land already being underuse or claim, often by local people, and pressure growing on higher value lands (e.g., those with irrigation potential or closer to markets);

- Dominance of the private sector in land deals, though often with strong financial and other support from government, and significant levels of government-owned investments;

- Dominance of foreign investment, though domestic investors also play a major role in land acquisitions – a phenomenon that has received far less international attention so far.

The jury is still out who will benefit from these land purchases but it is clear that they tend to be seen as especially alarming when occurring in Africa. Given what is said about the structural conditions for agricultural development in these countries there is reason to be watchful, but that such purchases and investments a priori are harmful to these countries, including their peasant farmers, are in most instances an exaggeration. The biggest outstanding challenge remains sorting out the land tenure systems.

Relations with China

China is not the only country interested in Africa's natural resources but it is clearly the most dominant and assertive foreign country. In a world of growing competition for oil and mineral resources, its interest in Africa has grown rapidly in the past ten years. China new receives about one third of its oil imports from Africa. In 2009, China became Africa' largest trading partner. Unlike U.S. trade with Africa, it is balanced because the value of China's exports to Africa is just as much as its imports. Unlike the West, China has concentrated its relations with Africa to trade and commercially viable investments rather than grants and concessionary loans. In this respect, China is treating African countries as partners rather than countries in need of charitable aid.

(Western donors wishing to become partners still struggle with how to realize such a change in perception.)

What is often forgotten in discussions about China's presence in Africa is that a growing number of Chinese companies are not only trading or working there on the basis of a single-project contract but also investing in production facilities in Africa, the reason typically being that African labor costs are cheaper than at home. These investments do create jobs for Africans but also for a considerable number of workers brought directly from China. The growing presence of Chinese management personnel and workers has created tensions with the local African work force which has criticized the Chinese, not so much over pay as over their condescending attitude toward their African colleagues. Serious incidents have occurred in Ethiopia and Zambia but tensions are by no means confined to those two countries.

Yet another dimension of the Chinese presence is the immigration of traders and other low-skilled people from China to Africa. African governments have been ready to give work and trade permits to large numbers of these people and they are now competing not only with remaining Asian retailers and wholesalers from South Asia or the Middle East but also with local traders, in many instances causing conflicts. The "bazaar" streets in cities like Nairobi and Dar es Salaam are increasingly dominated by Chinese traders and their imported goods.

Chinese leaders are aware of the sensitivity of their country's relation with Africa but with its rapidly growing presence it is becoming much more difficult than in the past to manage it. The same applies even more to the African countries. Although many of them earn foreign exchange from selling oil and other natural resources to China, they are both economically and politically at the receiving end. Their ability to stand up to the mighty Chinese is limited. They have to tread carefully and may have to sacrifice the rights of their own citizens in order to ensure good relations. At the same time, the prospect for a stronger African position toward the Chinese will continue to grow as more and more Chinese money is sunk into projects on the continent. It may look like a contradiction but the African ability to stand up against the Chinese will grow, not decline, with their growing presence – at least as long as they continue to make investments in African countries. Furthermore, unlike the colonial powers that enjoyed a monopoly of influence in their respective colonies and had to be defeated with reference to the prevailing liberal-democratic ideology in the mother country, the Chinese are today being assessed in comparison with people from other countries of the world. In this perspective, it is not a given that Western countries with their commitment to democratic governance will look any worse to local Africans.

Education systems

Ever since colonial days there has been a hunger for modern education in Africa, especially in places that benefitted from the presence of Christian mission societies. If there is anything for which African families have been ready to make sacrifices over the years, it has been paying for their children's education. This readiness has served as a major incentive for households to engage in income-earning activities. Whenever the resources of a given family have not been enough relatives, in some cases whole communities have pitched into help. This economy of affection continues to be at work.

The notion in recent decades that access to education is a right has turned out to be a mixed blessing in African countries. This has led to a state-led expansion of educational facilities at all levels not only in the urban but also the rural areas without accompanying investments in teachers, textbooks and other educational material. This state of affairs has been made worse by pressures issued on African governments to adhere to the Millenium Development Goals, a set of social development targets issued in 2000 and expected to be reached by 2015.

Instead of providing education at a pace that makes it possible to retain quality and expand access one step at a time, African countries, in response to the demands of the donor community, have been lured to run toward a noble goal but forced to stumble in the process. The massive investments that Western donors have made to expand education for all have often backfired in many countries. In Tanzania, for instance, because of the rush to meet MDG targets, the rapid expansion of the education sector has become a disaster. According to the Minister of Education, Mr Kawambwa, no less than 46.5 per cent of all pupils failed to pass their Standard Seven national examinations in 2010. Even if the total number of pupils in the classroom is much higher than before, this still means that after seven years of schooling, almost half remain largely illiterate and unable to function better in society.[5]

As if this instance of subverting quality education in African countries is not enough, private capital has been used to invest in building new educational institutions. Some of these have succeeded in offering good education, often in competition with good public schools, but for every good school there are at least two poor ones. Many private persons behind these schools have merely wanted to tap into the hunger for education without being able to provide a quality that makes education a worthwhile and sustainable investment for poor families. In fact, what has happened in recent years in African countries is that the proportion of graduates with a competitive educational achievement at primary and secondary levels has gone down. There are a massive number of students who have some form of primary or secondary education but are unable to obtain jobs because their training is inadequate or not suitable for the job in question. African countries, as a result, have a growing educational "proletariat".

What has been happening at the lower echelons of the educational pyramid has been repeated also in college and university education. Because governments have been spreading their resources to build schools and paying teachers at lower levels, much less money has been available to invest in public universities. To be sure, because of their social and political prominence they have been able to call on state resources, but they have continued to fall behind when it comes to offering good quality undergraduate or graduate education. The growth of

[5] *The Citizen* (Dar es Salaam), December 4, 2010.

private universities has not improved the overall situation. They remain understaffed and typically cannot compete with the better of the public universities.

It is disappointing to witness how the noble goal of universal access to education has led to so little and caused so much disillusion. In these circumstances, Africans will continue to look for educational facilities outside their country and – in many cases – never return to their home country. This brain drain may have some longer term benefits but it is a problem when it comes to African countries being able to deal with the challenges associated with the rapidly growing interest by other countries in the continent's resources. Mention was made of the AERC as a measure to strengthen competence to do economic analysis. Other similar steps aimed at making local analysts and policy-makers better equipped to handle increasingly complex policy issues are needed as part of getting "the house in order". This remains an integral part of the challenges facing Africa today.

Conclusions

It is difficult to determine whether the conclusion of this overview should indicate that the glass is "half-full" or "half-empty". There is evidence that African countries in many key respects are better equipped to deal with the new scramble than they were some thirty years ago and, definitely, much more so than at the time of the first scramble. Furthermore, the competitive global environment that now exists both in economic and political terms gives African countries more space to act strategically.

Yet, the challenges they face stem not so much from the hegemonic position of other countries – be that Western powers or China (or any other emerging middle-income country, for that matter) – but from their own shortcomings. While adherence to liberal democratic values is desirable, in a realist perspective, it becomes significant only to the extent that the capacity of state institutions benefit from such a commitment. So far, the "good" governance agenda of Western powers has been pursued with little or no attention to historical circumstances. This has tended to produce a more negative and pessimistic view of the ability of African countries to handle their own development and stand up to foreign powers. Some of this questioning has no doubt been justified, especially since conditions vary so significantly from country to country, but with a new lens that penetrates the surface and acknowledges the structural conditions prevailing in Africa, a more, at least cautiously optimistic view may be warranted. In the longer time perspective African countries have already come a long way. In this respect, the glass is half-full rather than half-empty.

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