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1 SUSTAINABLE DEVELOPMENT: CONCEPTS AND REQUIREMENTS

In the past, development was narrowly conceived and defined as involving little more than increases in the gross domestic product. Nowadays emphasis is placed on the content of the GDP, as well as on other dimensions of the quality of life encompassing such social indicators as infant mortality, shifts in social status, employment opportunity, life expectancy, decrease in fertility, housing, water supply, nutrition, literacy and education. Development - at least rhetorically - now emphasizes people as the subjects of attention.

In terms of policy making, we can (indeed, should) reconceptualize African development as a process of predicting, planning for, inducing and managing wanted change; and of reducing or eliminating unwanted or unwarranted change. In this context, the more people develop themselves, the more they become instruments for further change. Education and training are key to people's ability to manage and induce change. They develop their ability to face the challenges of making choices, while also increasing the choices available to them.

If development is about people, then the people constitute a repository of energy for development; and it is the careful release of this energy that constitutes development. The major factor in African development is thus mental. The elites in the region need to clear their minds about this to prevent their economies from moving fast but in the wrong direction. Some of the national economies are based largely on foreign capital and/or foreign aid. But how does this fact relate to our new concept of development as people developing themselves? How does it relate to the establishment of democratic institutions at the grass root level?

In whatever way it is considered, development cannot be development unless it can be sustained over the long run. Meaningful development will take place only if based on a free release of peoples' energy. This requires the right kind of education in

its widest sense; such that it can facilitate the emergence of a political structure that will throw up the right kind of leaders. This, of course, does not take account of the external environment which can rarely be taken for granted; let alone assumed to be favourable and supportive.

Development, in our new sense, must not be understood as entailing populism in the traditional political promise maximization sense. It is about getting on with the jobs that people do. In the extreme, it can even be said to have less to do with what government does than with what it enables others to do. In particular, it is not just about consuming; but more about producing. It is not simply about buying of technology; but even more with the creation or internalization of the technology needed by the people themselves and - in particular - with their capacity to manage their own affairs.

Encapsulating, we can say that sustainable development entails: a) knowledge and understanding, b) information (statistical and non-statistical), c) technological creativity, and d) the right kind of social organization and management skill.

It is the combination of those four factors that ensures the capacity of people to achieve sustainable growth. It is not just, as in the Nigeria of the 1960s and the 1970s, rushing ahead to spend windfall gains from non-renewable resources and/or transitory price booms. Such behaviour has meant living on surplus accruing from sources outside the country's control, largely beyond its own productive capabilities and under the control of government. That kind of situation leads only to a failure to address the issue of sustainable national development properly.

But if development is about people, how do people relate to the necessary and appropriate machinery for breaking down the structural constraints impeding change? Answer: people must be seen as both the agent and the object of change; and as agents of change they must be self disciplined if they are really desirous of getting out of the morass

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of entrenched underdevelopment. The first challenge of leadership is therefore how to create or achieve a disciplined society. However, a disciplined society must not be equated with a repressed society (e.g. the Buheri regime in Nigeria clearly made this false equation with consequential morale, social and productivity costs which continue to plague us today).

Given the pervasive corruption and the present political set-up in most of the countries in the region, is it not an empty hope to expect the emergence of a disciplined and moral political leadership? But if the answer is yes, either one is forced to accept the permanent absence of development or to devise a socio-political strategy to change the context in which leaders operate.

2 PROBLEMS AND FORMS OF LEADERSHIP IN AFRICA'S DEVELOPMENT PROCESS

Generally in Africa, 'leaders' are conceived of only as those persons holding highly visible positions in governments and industries. The media has helped to encourage this view of who are leaders by focusing incessantly on that group and in particular on their public services. This over emphasis, in turn, derives substantially from the fact that government activities in the region are so dominant that those who carry them out at the top level appear to be the only leaders in the system, though also because collecting speeches to fill the news pages and commenting on them to provide features and columns is much easier (and often safer) than more serious reporting on, and analysis of, what is happening.

Over the past four to five decades, the quality and performance of that leadership has often made the difference for better or for worse. Their effectiveness in setting and achieving socio-economic priorities, has depended significantly (though not entirely) on their own qualities. Experience has also shown that those who aspire to lead must have an irreducible minimum level of education, expertise and moral fibre - or at least determination to secure and hold power which unfortunately does not guarantee the other qualifications. In order to achieve real and sustainable development it is necessary, though not sufficient, to have a political leadership that has the vision, the education, the will, the credibility and the capacity to manage the process of change; and a followership that is ready to change its attitude, its ways and its taste.

Generally, and almost anywhere, for leadership to succeed certain qualities are critical apart from deliberate preparation. These include, among others, humility, honesty, commitment to hard work, ability to conceive programmes of permanent value, firmness, fairness, vision, patriotism and integrity.

The task of preparing individuals to assume leadership roles in any field must consequently entail devising ways and means of imprinting on potential leaders these many qualities of leadership, and in parallel establishing criteria for identifying such individuals.

It would be true generally to state the following as attributes of contemporary societal leadership in Africa:

- a A majority have tended to be selfish, self-centred and also incapable of performing effectively.
- b Most – sometimes unintentionally – have made it near impossible to develop a democratic tradition; and hence for orderly changes of leadership or sustainable development to be achieved.
- c Society's perception and expectations cannot be divorced from the way these leaders got to their position in the first instance, e.g. frequently by coups or by buying elections..
- d Ascriptive leaders (e.g. traditional rulers) have not shown much success as modern achievers; unlike those who achieved leadership by dint of hard work.
- e For the most part, African governments have themselves become an instrument for underdevelopment, rather than the opposite.
- f Certain serious shortcomings: intolerance to press criticisms, own group favouritism in respect to religious beliefs and cultural units, little or no reading of biographies of great leaders of other lands and/or periods, lack of sustained exposure and response to creative challenges with the media itself overplaying the rhetoric of leaders and blowing their minor achievements out of proportion using almost hyperbolic phrases (on occasion much more fulsome than the leaders' own claims).
- g The generally sycophantic attitude of the media cannot itself be divorced from that of the society of which it is a part; because in a society that is

over-governed, the media tends to concentrate on the political leadership, its activities and especially its pronouncements.

So, although there are other kinds of leaders (notably religious, social and traditional leaders), the political leadership is the most important in the African countries, because its role in shaping and moulding other kinds of leadership is, at least up to this point, almost pervasive.

Question: Are leaders born, or are they made? Can they be trained; or are they simply products of historical circumstance? If the last, how can the contextual circumstances be altered?

3 DEMOCRATIC SPIRIT AND INSTITUTIONS AS THE ESSENCE OF EFFECTIVE GOVERNANCE

It is perhaps valid to observe that many of the leaders in African countries have so far shown little patriotic interest in their mission; though this is probably more true at the national than at the local and community levels and has tended to increase the greater the distance in time from colonial rule, or in space from South Africa. Perhaps then, without any associated ideological justification, minimum government may be the pragmatic solution in the present political economy circumstances in many African countries.

The above judgement would be even more compelling, given the fact that most of the resources for development presently at the disposal of governments tend to come from outside the country, and hence tend to limit the extent to which these governments can self-reliantly undertake the development of their national economies. From that perspective then, the prospects for real and sustainable development would seem to lie in the establishment of democratic institutions at all levels in the society. That also holds true in the handful of cases in which large rents or taxes on non-renewable asset sales inevitably accrue first to the state, and how they are utilized largely determines the course of development (or the reverse).

We can conceive of democratic spirit as a commitment to follow a democratic way of doing things at all possible times, along with accepting the responsibilities that enable that spirit to thrive. A change freely accepted will endure longer and adapt to changing circumstances more appropriately than an

imposed one. It also underscores why there is no need to panic when democracy is in crisis, especially where there is a total commitment to democracy.

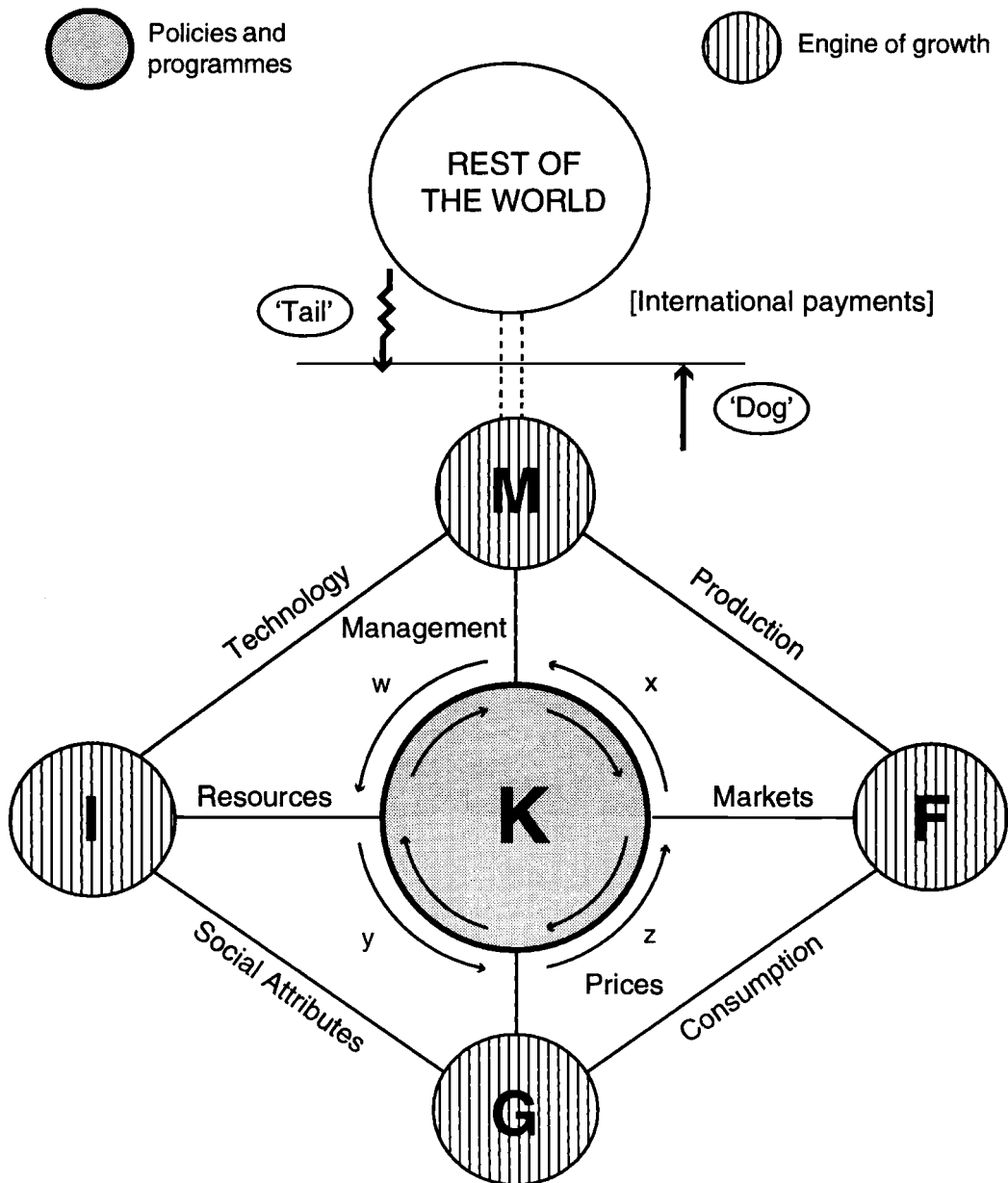
So, the questions arise: how is the democratic principle to be enshrined in practice? Is it through an institutionalized opposition or a proliferation of oppositions; or is it through the proliferation of newspapers? Or in some other way?

An important factor for enshrining the democratic spirit in practice is to create the right atmosphere for fundamental human rights to flourish. Democracy must entail the free expression of – and listening to – other points of view. But how easy is it to adhere to the democratic spirit under conditions of economic underdevelopment? Does this also mean that no reform programme should be implemented until the people are carried along, as to its necessity? What are the problems, types and instruments of information management for social mobilization and political consensus? Could a government (with some tolerable political legitimacy) really not proceed with a reform measure as long as it was convinced that it is in the interest of the people without initially formally carrying them along? Without prior consensus in favour of such action (which even at leadership level took three years to achieve in one case)? Is an *ex post* verdict in subsequent elections (nine years subsequent in one case) adequate?

A balanced response to these questions is to maintain that consultation (in one form or another) is not only a process of information management but also a veritable training ground for the people in democratic practice. But this does not resolve the questions of when a leadership should lead first and convince afterwards and how much of a support base it should have before acting.

But how come in many African countries interest groups have not been better used to throw up leaders; and why has there been so much obsession with the Western forms of interest articulation through the formation of political parties? One evident answer is that conventional interest groups in most African countries are too narrow in their range of concerns and hence many observers and participants feel the need for them to concentrate under the larger umbrella of political parties, albeit if these have no policy except obtaining and benefiting from office they are, in a different sense, even narrower.

Figure 1: Schematic representation of structural and policy interconnections in Africa's development process



K = Efficiency of the capital stock (physical and human)
M = Macroeconomic policies and trade regimes
I = Infrastructures and public goods
F = Firms and households (including subsistence)

G = Governance (and enabling environment)
→ = Clockwise (economic growth)
← = Anti-clockwise (economic decline)
z = Analytical vectors around the central base

Nevertheless, the virtues of Western-type democratic organization should not be dismissed out of hand. The right attitude lies in studying the various forms of their manifestation and operations seriously and intelligently; identifying what in them are of value to Africans; and adapting those to their own peculiar circumstances. Accountability of leaders to people and non-violent mechanisms for public renewal or termination of their mandates are by no means alien imports with no historic roots in Africa even if Westminster-style Parliaments may well be.

On the whole, our experience of African development so far would tend to show that the prospects for real and sustainable development in both economic and political dimensions must now focus on the place of local government and community governance as essential building blocks for effective governance at the national level. In particular, local governments and local communities should be the main instrument of rural development. In most parts of Africa the concept and the practice of local government still remain very unsatisfactory. Much greater attention also needs to be paid to the invigoration of the civil society, non-governmental organizations and countervailing pressure groups for reinforcing the democratic spirit and ensuring enduring democratic institutions.

4 REFORMULATING THE POLICY PERSPECTIVES OF AFRICA'S POLITICAL ECONOMY

For more workable and viable development policies, it is thus necessary to digest fully the specific lessons (economic as well as political, financial as well as administrative) of structural reforms in the African region over the past decade. Such digestion would probably result in re-conceptualizing the way analysts and policy makers look at the dynamics and inter-relationships of the region's development process.

It has become necessary to reverse the old habit of looking at the problem (see Figure 1) from the outside prism (of trade, payments aid, technology and management), and to use that external perspective mainly as a supplement or a constraint rather than as the starting point. The fact that Africa still needs substantial net external financial inflows does not invalidate the imperative of analysing

its development process from the perspective of its own internal core of structural and organizational inter-relationships.

This revamped approach is all the more compelling, given our view of sustainable development as the ability of a system's political economy to respond to various shocks (from whatever sources), and in particular in terms of its human and institutional capacities to anticipate, induce and manage change. It is also necessary to distinguish three different (though interlinked) levels of national economic management that call for policy design: a) The underlying fundamental forces of economic development and social change; b) The imperatives of correcting a strongly distorted economic landscape (macroeconomic, sectoral and various signal imbalances); c) Containing day-to-day pressures of speculative and corrupt behaviour and exploiting various loopholes in policies, programmes, regulations and markets advantage.

With such a range of policy challenges, it is clear that economists alone, or indeed governments alone, cannot correct structural maladjustments and redefine a nation's development process. In a social accounting sense, **all** residents and actors are involved. An enduring restructuring exercise would impel policy makers to reverse their focus from the external prism of international payments (the 'tail wagging the 'dog') to a progressive shift towards an internal prism of efficiency of the domestic capital stock (an increasingly self-confident 'dog' able to wag its own 'tail').

The outer inter-connecting factors can be regarded as the policy parameters; i.e. social attributes, technology, production and consumption. The inner factors are the more immediate determinants of the efficacy of the capital stock, both in the process of growth and the process of decline. These are resource (both physical and financial), management, markets and prices.

This presentation allows policy analysts to cut across the conventional distinctions between a) accounting identities and behavioural equations, b) institutional actors and sectoral actors, c) real flows and financial flows, and d) stabilization policies and transformation measures.

Within each of the policy foci (M, F, G and I) there are clearly elements for stabilization, adjustment and

transformation; as for example if we consider the various elements in the macroeconomic policies basket. In varying degrees, following that example, each of the elements of stabilization, adjustment and transformation must consider the simultaneous interactions of exchange rate, money supply, inflation rate and fiscal surplus or deficit.

However, generally speaking, stabilization programmes tend to move around the M orbit; adjustment programmes tend to gravitate around the M and G orbits; and transformation programmes tend to involve the four orbits of M, G, I and F. In one way or another, all three (stabilization, adjustment and transformation) are manifested in movements in levels and productivity of K.

5 DESIGNING FOR TRANSITION FROM STRUCTURAL ADJUSTMENT TO TRANSFORMATION

The critical challenge for the policy analyst is how to trace the sequence of events if we are to move successfully from stabilization, through adjustment, to transformation. Unfortunately economic analysis has really not been able to develop proper handles that can track, predict and manage dynamic paths in changing from one economic policy system to another (e.g. from a command to a market economy, as in the contemporary post Soviet economies most of which, not that it is much consolation, have recently performed far worse than SSA ones).

But in a rather tentative way, we can sketch for sub-Saharan Africa, the following steps from structural adjustment to transformation and sustainable development:

a Undertake measures to arrest the long decline into structural crisis through macroeconomic policy reforms: realigning the exchange rate, rationalizing credit through compressed money supply, reducing government subsidies, encouraging trade liberalization and containing rent-seeking through removal of administrative controls.

b As the internal terms of trade gradually turn in favour of smallholder agriculture, informal activities and various domestic resource-using industries, the underlying inflationary pressures and balance of payments gaps will start to ease.

c Put in place improvements to physical and social infrastructures, beginning with resumption of repairs and maintenance (including e.g. teacher and extension agent training) and gradually moving to qualitative and quantitative additions to the infrastructures, especially in the rural areas and secondary towns.

d Pay increasing policy attention to informal/small scale sector employment and self-employment activities in small- to medium-sized enterprises; aimed at releasing entrepreneurial creativity in diversified micro production organizations.

e Decentralize the institutions and processes of governance for more spatially-diversified diffusion of development activities, as well as raising more public revenues and mobilizing communities across the board.

f With the induced increases in domestic savings, cessation of capital flights enhanced net foreign-aid receipts, greater and better quality net capital formation can begin to take place. This would tend to yield progressive improvements in the magnitude and texture of the human and physical capital stock; and hence the efficiency of investment.

g Longer-term factors in development would now come increasingly into focus; issues such as population growth, technological progress, research and development, environmental sustainability, cultural goods and quality of life.

h With widening production frontiers and increasing production efficiency, regional integration becomes more feasible and a new system evolves for more dynamic comparative advantage in the world's trading, payments and investment system.

i It becomes more appropriate thereafter to entrench the classic wisdoms of sustained high rate of domestic savings, progressive increase in profitable investments, hard work by the labour force, inter-generational self-sacrifice, honest and open government, equitable income distribution and more humane social systems.

j It is important to emphasize that throughout the whole process, the non-economic dimensions of policy must be fully integrated with the economic. Economics alone cannot explain or correct structural maladjustments nor determine a nation's develop-

ment process, necessary as it is as one component. There are other compelling issues: of History, Politics, Values and Cultures.

The above profile of transition represents only a broad sweep for the sub-Saharan African region as a whole. Whether or not, and if so at what speed, any particular country goes through the whole sequential process, slips backward or jumps over some

stages, is an empirical question of space and epoch. Variations in such space and time dimensions would at least partly account for differences in the experience (success or failure, speed, intensity of adjustment pains, restructuring fatigue and repeated bouts of reforming experiment) of various countries in their movement from stabilization, through structural adjustment to economic transformation and sustainable development.