

After the Structural Adjustment Programme for Africa's Economic Crisis What Next? A Look at Some Immediate African Alternative Development Strategies

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Abstract

In the late 1960s and early 1970s Sub-Saharan Africa experienced an unprecedented economic crisis shutting the exhilarating expectations of economic stability and development associated with independence. In response to the African abysmal economic decline, the Structural Adjustment Programme (SAP) was introduced by the World Bank and the International Monetary Fund (IMF) as a recovery economic policy for Africa. By the late 1980s and early 1990s, most Sub-Saharan African countries had implemented the programme as conditionality for aid. However, the implementation of these programmes had a massive negative impact on African economies with the problem of balance of payment deficits. With the failure of the structural adjustment programmes, Africans with the support of the United Nations began to look for other alternative economic recovery strategies to address the African economic doldrums. This paper therefore takes a critical look at three of the most immediate alternative development strategies of Africa which includes; the Lagos Plan of Action (LPA) and the Abuja Treaty for the establishment of the African Economic Community (AEC) 1980-2000; Africa's Priority Programme for Economic Recovery 1986 -1990 (APPER) which later became UN Programme of Action for Africa's Economic Recovery and Development (UN-PAAERD) (1986); and the African Alternative Framework for Structural Adjustment (AAF-SAP) 1989. The paper concludes that post-colonial governments found it very easy to seek for alternative development plans as substitutes for the IMF and World Bank imposed SAPs but such strategies suffered from actual implementations accounting for their failures.

Key words: Colonialism, Development, Economic growth and Structural Adjustment.

Introduction

At independence, the post-colonial African states were characterised by economies with low levels of education, scanty African entrepreneurs, highly underdeveloped infrastructure, inadequate technical transformation in agriculture, undiversified economies with low manufacturing capability, a dependence on few export crops and intrusive state structures and policies (Stein, 2000, p. 13). Africa therefore entered independence with high expectations. Most of Africans

believed that rapid socio-political development would be achieved in raising incomes and improving welfare and eventually many African countries successfully expanded their basic infrastructure and social services in the 1960s (World Bank, 1989). Post-colonial African governments put in maximum effort on consolidating the fragile new nation states (World Bank, 1989, p. 1). Thus, after finally gaining independence from colonial rule, there was a huge responsibility on the shoulders of African leaders to vindicate and justify why the demand for a self-rule was imperative.

In the light of the heady expectations, African leaders adopted various strategies for rapid development which at the long ran became one of the foundations for Africa's economic recessions in the 1970s. For example, Kwame Nkrumah of Ghana adopted a structural transformation strategy of development which saw the excessive role of the state in every aspect of the economy whereas Felix Houphouet Boigny of Cote d'Ivoire adopted a gradual development strategy which allowed for limited role of the state in the economy (Berg, 1971). Despite the various contrasting development policies experimented by these leaders, they all had a common objective of putting their countries on the right track for socio-economic and political development. It must be noted that the colonial economic legacy inherited by the first generation leaders of Sub-Saharan Africa put a wanton economic burden on the African continent.

The birth of a new economic system in Africa was marked by the penetration of Western capitalism into Africa through colonialism as observed by various scholars (Ake, 1981; Amin, 1981). As vividly explained by Ake (1981, p. 32):

The process of this penetration and the subsequent integration of African economies into the world capitalist system are easily confused with its effects. For instance, it can be confused with economic domination. African economies were and are dominated, but the domination is the effect of the particular manner in which they have been integrated into the Western capitalist. Much the same thing might be said of dependence. The dependence of African economies is the effect of the integration of African economies into the world capitalist system and not the essence of this process of integration.

It is quite clear that although colonialism created the channel for the penetration of Western capitalist system, African dependence on the Western economies cannot be overlooked. In the late 1960s and late early 1970s Sub-Saharan Africa experienced an unprecedented economic crisis shutting the heady expectations of economic stability and development associated with independence. Africa's growth in the immediate post-independence period was encouraging with income per capita rising about 2.4% per year during the 1960s but declined to 0.9% per year in the 1970s and became gloomy subsequently. Africa's average incomes declined by 1.1% per year in the 1980s often called the "lost decade" for Africa (Moss, 2007, pp. 89-90; UNECA, 1989).

In response to the African abysmal economic decline, the Structural Adjustment Programme (SAP) was introduced by the World Bank and the International Monetary Fund (IMF) as a recovery economic policy for Africa. By the late 1980s and early 1990s, most Sub-Saharan African countries had implemented the structural adjustment programmes as conditionality for aid. However, the implementation of these programmes had a massive negative impact on African economies with the problem of balance of payment deficits. As observed by Jerven (2011, p. 301) "the notion of African growth failure came in the wake of the 1973-1974 and 1981 oil price shocks, and increased in currency as Africa economies became heavily indebted under the structural

adjustment programme.” The structural adjustment massively affected important sectors such as agriculture and the social sector especially in the areas of health and education.

With the failure of the structural adjustment programmes, Africans with the support of the UN began to explore other alternative development strategies for the economic recovery from the unprecedented economic crisis. The task of this paper therefore, is to trace the historical political-economy of post-independent Africa by critically looking at some of the immediate alternative development strategies of Africa and on the basis draw lessons for effective implementation of contemporary and future African development strategies.

An Overview of Africa’s Economic Recession

This section gives a brief description of the nature of Africa’s economic crisis in the 1970s and early 1980s. It also examines some of the reasons explaining Africa’s economic decline.

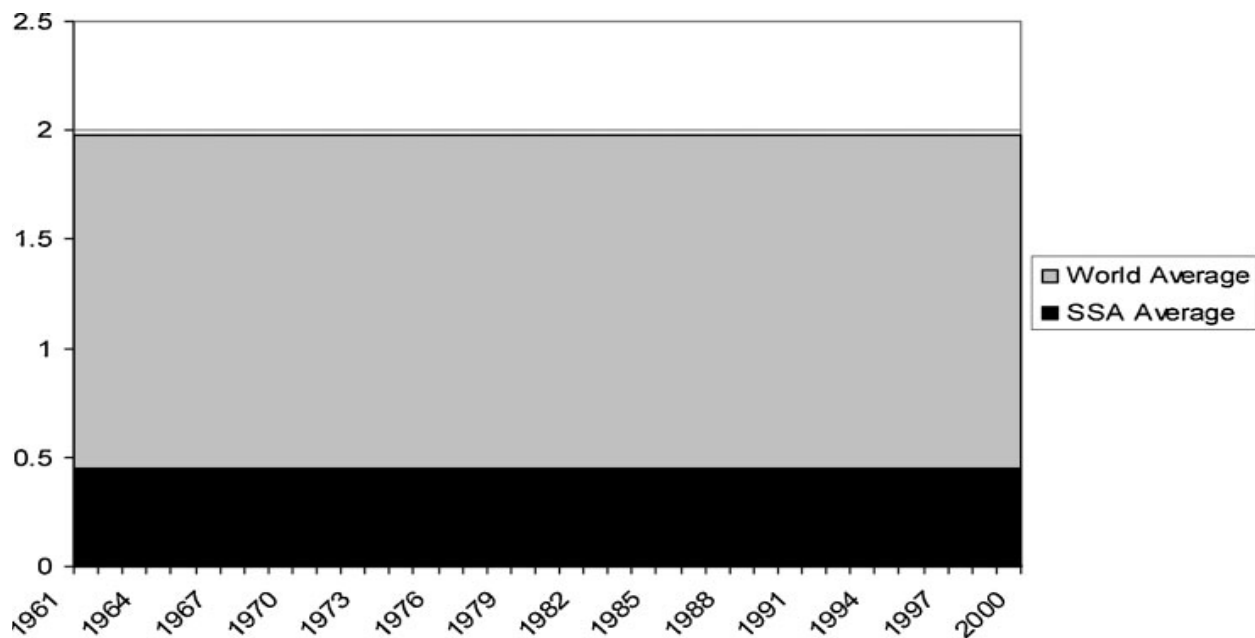
The Nature of Africa’s Economic Crisis

The World Bank 1981 publication “Accelerated Development in Sub-Saharan Africa” also known as the Berg Report, named after the author, Elliot Berg gives a comprehensive analysis of the severe nature of Africa’s economic growth decline in the late 1960s and early 1970s.

According to the Berg Report (1981), Africa experienced a marked decline in its exports, could not keep pace with population growth in terms of its food production, and imported increasing amount of grain. The report notes that while agricultural growth, in terms of export production was up by 20% in the 1960s, it declined by 20% in the 1970s. Food production only increased by 1.5% per year compared to a population growth of 2.7 % in the 1970s. Imports of grain increased by 9% per year in the 1960s and in the 1970s, the drop in production in the agricultural sector spelled a real loss for many of the poorest. The drop in exports and rise in food imports had also contributed to the balance of payments problem.

From 1970 to 1979 the debt burden of Sub-Saharan African countries had risen from \$6 to \$32 billion (Mihevc, 1995, pp. 87-88). The World Bank (1989) indicated that in the 1970s, to maintain income and investment, African governments borrowed heavily from abroad. Debt service obligations were 47% of export revenues in 1988, but only about half were actually paid. Thus, Africa’s growth performance was miserable compared to the rest of the world (see fig 1).

Figure 1: Economic growth—Africa versus the World 1960–2000, average growth.



Source: World Development Indicators (2007) Data: GDP per capita (constant 2000 US\$) annual growth per cent cited in Jerven (2011, p. 292).

Explaining the Reasons for Africa's Economic Decline

Many factors have been identified for the disappointing Africa's economic growth in the post independent era. These factors remain highly debatable ranging from natural, internal and external contentious reasons (Moss, 2007; Rasheed & Chole, 1994). As noted by Moss (2007, p. 9) the factors accounting for Africa's disappointing growth performance are complicated and bluntly not very well to comprehend. However, what remains uncompromised is the fact that the colonial economic legacy inherited by the first generation African leaders affected the economies of post-independence Africa.

Fundamentally and more importantly, some natural factors have been identified by Moss (2007) for Africa's poor economic growth. This is what he identified as structural endowments that interrupt Africa's growth and normally beyond the control of governments. For example, in terms of geography, Africa's coastline is extremely straight with very insufficient bays, inlets or natural ports, making trade and commerce thorny and dissuading people from living along the coast. Also Africa's climate is generally unreceptive for both human health and agricultural production. The tropical climate, Todd Moss argues in several parts of the continent is linked to a greater disease encumber, poorer overall health, and reduced life expectancy. The usual rainfall patterns, with extended dry seasons followed by heavy rains are unfriendly for agriculture. Agriculture as we are all aware is the major and primary source of income in Africa production which is the major and primary source of income for the African continent. The extended dry season is eventually exacerbated by poor soil fertility and recurrent droughts (Moss, 2007, p. 93). For instance, droughts occurred in Malawi 1979/1980, in Ghana 1981-1983, in Kenya in the early 1980s and then again in 1984, and in Niger 1984 disrupting economic growth (Duncan & Howell, 1992).

The Berg Report identified the enlarged role and size of the state in post-independence Africa as an important factor for Africa's poor economic growth performance. According to the report, post-independence African states inherited the privately owned industries by foreign colonial interests as a means of controlling important resources and export income to aid generate the income needed for basic social services such as education and the health care sectors that were given little or no attention by the colonial governments (Mihevc, 1995). Despite the good will of the state to embark on this policy, it created colossal problems for economic growth as the provision of free basic social services to the outstrip of government revenues through spending on social services like education and health care. Internal policies of post-independence Africa states accounted for the economic recession. In the view of Moss (2007), the list of internal policies thought wrong-headed is long-headed, but a few of the key ones were especially popular. State monopolies on certain products demotivated production and led to the upsurge of black markets. Investors were also scared off as a result of blurred private-property laws. Public jobs were used to recompense allies, creating immensely unproductive and bloated civil servants. Thus, the cumulative outcome of state interference and unnecessary regulation was a key cause of African economic malady by the early 1980s (Moss, 2007, p. 94).

The Berg Report also identified unfair price incentives for agricultural producers as an important factor for the abysmal African economic growth. According to the report, African governments subsidized the urban sector through the provision of cheaper food and thus placing the backs of rural farmers who suffer from unfair price for their farm produce (Mihevc, 1995). Thus, the urban bias policy implemented by African states inhibited agricultural production leading to deterioration in agricultural exports. According to the report, marketing boards and unproductive state-controlled enterprises arrogated uneven share of the price of export crops. Consequently, farmers ended up subsidizing an overextended state bureaucracy through unfair prices for both export and food crops (Mihevc, 1995, p. 91).

Moss (2007) again identified institutions and governance for Africa's economic decline. He argues that Africa's poor performance and counterproductive policies were not accidental but the effect of fundamental bad governance or institutions. Many of the public institutions in Africa look like inherited Western institutions in theory, but not in practice. The civil service, Moss argues was mostly about creating jobs and controlling access in favour of the state, not rendering basic public services. Also, private property may be protected in law, but in practice enforcement was unpredictable and discouraged investment (Moss, 2007, p. 95).

The Berg Report also identified some external factors for Africa's poor economic growth. The first external problem was the negative terms of trade for Africa's primary products. According to the report, while there was a significant price hike in oil and depreciation of mineral prices in the 1970s, there was also a boom in certain other commodities such as coffee. The report argued that terms of trade for non-oil exporting African countries were down only by 1.5% per year in the 1970s. However, the report concluded that the negative terms of trade contributed little for Africa's poor economic growth. The report also identified the trade protectionism of the North towards Africa's exports as another discounting explanation for Africa's economic crisis. The removal of restrictions on goods according to the World Bank would have benefited Africa only marginally and the report also argued that Africa enjoyed preferential access to the European Economic Community (EEC) market for about 25% of its exports and other goods were accorded 'Most Favoured Nation or Generalised System of Preferences' provisions (Mihevc, 1995, pp. 88-89). It

is not surprising that the Berg Report regarded the exogenous factors as discounting explanations. In fact, the colonial economic legacy plus the internal policies of post-independence African states contributed largely to Africa's economic malaise especially in the 1970s.

Structural Adjustment Programme and the Crisis of the Adjustments

A concise and exact definition of structural adjustment is conceptualised in two broad terms. As argued by Engberg-Pedersen et al. (1996, p. 3):

The term structural adjustment is normally used in one of two closely linked senses. One implies a shift in economic policies from an interventionist stance, which permits and sometimes encourages state intervention in the economy, towards a neo-liberal position which aims to minimize it, letting the market allocate resources wherever possible . . . It also stands for the mechanisms which have been used since about 1980 to persuade Third World countries, often very reluctantly, to follow such policy prescriptions. These prescriptions are coordinated by International Financial Institutions (IFIs) especially the World Bank and the IMF.

For the purpose of this paper, the latter definition is adopted.

In response to the Africa's economic decline, the Structural Adjustment Programme (SAP) was introduced by the World Bank (WB) and the International Monetary Fund as the first official Economic Recovery Programme (EPR) for Sub-Saharan Africa. The policies of the SAP were influenced largely by the recommendations of the Berg Report. The recommendations of the Berg Report virtually became the conditions for Structural Adjustment Loans (SALs). The structural adjustment agenda for Africa's economic recovery in the 1980s had the following principal elements:

- Adopting measures to increase internal production and widen the supply base of an economy.
- Currency adjustment (devaluation).
- Rationalisation and restructuring of tariff structures.
- Trade and payments liberalization.
- Drastic reduction of public expenditure.
- Wage restraint.
- The removal of subsidies.
- Privatization of public sector enterprises.
- Increase in domestic rates.
- Removal of administrative controls to rely on market forces for the allocation of resources (Ekpo, 1992, p. 27).

By the early 1980s and late 1980s most Sub-Saharan African states had implemented the policies of the SAPs in one way or the other. For instance, as of 1980 the World Bank had made SALs to countries like Kenya, Malawi, Mauritius and Senegal. Ghana for instance, under the Provisional National Defence Council (PNDC) launched the first phase of the ERP (1984-6) in April 1983 in collaboration with the IMF and the World Bank. IMF supported the country with three stand-by arrangements amounting to Special Drawing Right (SDR) 540m while the World Bank extended

a Reconstruction Import Credit of US\$40m (Pearce, 1992, p. 15). The implementation of the SAPs went through different phases, each phase with its unique reforms.

The structural adjustment economic recovery programmes implemented by African states seemed not to be the right economic policy reforms for the continent. These policies such as liberalisation, privatisation, and fiscal austerity were pronounced and dictated by the IMF and the World Bank in a form of conditionality which were not based on any sound economic reasoning (Baah, 2003, p. 6). This problem was also expressed by Stiglitz (2002; cited in Baah, 2003, p. 6) “the problem was that many of these policies became ends in themselves, rather than means to more equitable and sustainable growth . . . these policies were pushed too far, too fast, and to the exclusion of other policies that were needed.” Thus, even the strong advocates of SAPs will agree that no matter how important such policies were, they were too harsh for the African continent with little or no African ownership.

Ekpo (1992, pp. 27-28) lamented on the negative impact of the structural adjustment programme as follows:

There cannot be a static situation. Every economy needs adjustment but the social consequences of adjustment must be considered. The IMF and World Bank type of adjustment completely ignores the recipients of adjustment programmes. Both institutions operate as if adjustments are carried out on stones and trees. Human beings are the recipients and therefore their verdict in terms of the results of any adjustment must be taken seriously. After all, the few people who design and prescribe various adjustment programmes never suffer from its adverse effects. This may sound simplistic, but it is true. The families of Heads of Government in Third World countries are often well fed, employed, have more than adequate shelter, good medical treatment, etc. The staff of both the IMF and World Bank are well paid in convertible currencies. It is not an accident that in every country where IMF and World Bank style adjustment has been set in motion there have been waves of unrest, and political and social chaos.

The structural adjustment policies affected the social and economic sectors of Sub-Saharan Africa. The health and education sectors were crippled with the drastic reduction in the share of education and health sector expenditure, staff retrenchment and salary cost recovery. The introduction of user fees for primary education saw the decline in school attendance than before the implementation of the adjustment programme in many African countries (Engberg-Pedersen et al., 1996). The private sector was not viable enough to contain those who lost their public jobs leading to massive unemployment. The removal of government subsidies paralysed agricultural production and African governments concentrated much on debt payments, monies which could have been used for the development of the education and health sectors and the creation of job opportunities. Despite the failure of these policies, the IFIs continued to impose them on Africa throughout the 1980s and 1990s. The two decades of structural adjustment only turned out well in creating many positions and employment for the so-called “experts” within the World Bank and the IMF and expanded missionary activities in Africa (Baah, 2003, p. 4).

African leaders against the backdrop of the effects of the structural adjustment policies had to search for other alternatives for their economic recovery and claim ownership of such plans. This

was even made possible when the IMF and the World Bank received a backlash from both internal and external angles.

African Alternative Economic Recovery Programmes

This section examines some of the various alternative development strategies adopted by Africans in response to their economic crisis after the failure of the adjustment programmes. It must be noted that the new alternative initiatives by Africans were supported by the UN Economic Commission for Africa (ECA).¹

We would focus on three alternative African development initiatives:

- The Lagos Plan of Action (LPA) and the Abuja Treaty for the establishment of the African Economic Community (AEC) 1980-2000.
- Africa's Priority Programme for Economic Recovery 1986 -1990 (APPER) which later became UN Programme of Action for Africa's Economic Recovery and Development (UN-PAAERD) (1986).
- The African Alternative Framework for Structural Adjustment (AAF-SAP) 1989.

The reasons for the failure of each of these initiatives were the same and as such we would be focusing on the developmental strategies and principles of the above African development initiatives and then deal with the reasons for their failures in the last section.

The justification for these alternative development strategies is that they there were implemented immediately after the SAPs, hence the reason for deciding on them.

The Lagos Plan of Action (1980-2000) and the Abuja Treaty (1991)

The Lagos Plan of Action (LPA) is considered to be one of the long-term development strategies for Africa's economic recovery and stability. African leaders realised the need for a long-term vision of development, targeting the future generations. The LPA was largely influenced by the Economic Commission of Africa's (ECA) Preliminary Assessment of Long-Term Development Trends in Africa through a request by the UN General Assembly in 1976 (Jolly, 2009). The outcome of the evaluation validated the deteriorating nature of African economies which were characterised by the declining rates of Gross Domestic Product (GDP) growth and degeneration of agricultural output and commodity exports (Jolly, 2009). The aftermath of the assessment eventually laid the basis for strategies like the Monrovia Declaration (1979) and the Lagos Plan of Action. It provided the framework and strategies for implementing development programmes. The primary goal of the LPA was to achieve swift collective self-reliance and self-sustaining economic growth through economic regional integration (United Nations Economic and Social Council [ECOSOC], 1986). The LPA based its strategies on some crucial and central principles which it considered will lead to an alternative form of Africa's development and will take Africa out of its economic predicaments. The key principles of the LPA included the following:

- Self-reliance should be the basis of development – at the national, sub-regional and regional levels.

- Equity in the distribution of wealth at the national level is a fundamental objective of development.
- Public sector is essential for development and it should be expanded.
- Outside capital is an unavoidable necessity and it should be directed to those areas where African capital is lacking or inadequate – such as mining, energy and large scale projects.
- Inter-African economic cooperation and integration is essential and should be effected as soon as possible.
- Change in the international economic order to favour Africa and Third World countries is essential and Africa should continue to fight for New International Economic Order [NIEO] (OAU, 1980).

The vision of the LPA was strengthened by several prescient assurance by African leaders: to attain food production and supply sufficiency, complete implementation of a UN programme for a transport and communications decade in Africa, to eliminate illiteracy for effective human resource development, to collaborate in industrial growth, natural resources exploration and extraction, and in the environmental conservation and protection (OAU, 1980; Jolly, 2009). The various African leaders as part of working towards the objectives of the LPA also made important economic projections which led to the subsequent establishment of an African Common Market leading to an African Economic Community (AEC) (Jolly, 2009).

Clearly the principles and the objective of this strategy as a long-term development initiative demanded an African economic integration and was thus adopted by the Organisation of African Union (OAU) [now African Union] Heads of State and Government Summit on 29th April 1980. It subsequently led to the Final Act of Lagos and the Abuja Treaty of 1991. The transformation of the Final Act of Lagos to the Abuja Treaty by African leaders eventually led to the establishment of the African Economic Community in 1991. An assessment of the implementation of the LPA showed an uneven distribution on the part of African countries. Some countries such as Ethiopia established and strengthened domestic trade ministries to facilitate internal trade as well as the establishment of sub-regional institutions to facilitate intra-African trade (ECOSOC, 1986). In general, progress made by African countries towards the achievement of the objectives of the plan was highly uneven indicating a wide gap between policy and real implementation. It should however be noted that although the LPA was largely criticised for lacking practical strategies in achieving its objectives for Africa's long term economic development, it is no doubt that it remains an important historical economic document for Africa. It was actually regarded as a counterforce to the Berg Report (Ohiorhenuan, 2010).

If for nothing at all, the LPA showed the commitment of Africa to human empowerment through education, the promotion of intra-regional trade, the campaign on the relevance of collective self-reliance with as little as possible external reliance and sufficiency in both food production and supply. With this, African government leaders began to appreciate the fact that over external reliance was never going to be the solution for both short term and long term development for Africa, hence never got tired with the experimentation and continuous search for alternative development strategies.

Africa's Priority Programme for Economic Recovery 1986 -1990 (APPER)

The Lagos Plan of Action (LPA) was followed by yet another immediate development initiative known as the Africa's Priority Programme for Economic Recovery 1986 -1990 (APPER) which later became UN Programme of Action for Africa's Economic Recovery and Development (UN-PAAERD, 1986-1990). This strategy was produced by the OAU Summit at Addis Ababa. During this summit, African leaders lamented on the little progress made in the implementation of the LPA vision and objectives after five years of its adoption and noted some primary impediments accounting for the failure of the LPA (Sawyer, 1990) which included the following:

- Failure to restructure the inherited colonial economies.
- The deepening of dependency through the misallocation of domestic resources and over-reliance on external human and financial resources.
- The intervention of unforeseen factors such as drought, accelerated desertification, cyclones and South African destabilisation, especially in the Frontline States.
- The "very slow" development of co-operation and integration in new sub-regional groupings (Sawyer, 1990, p. 8).

The APPER sought to facilitate the implementation of the LPA and also bring about other development measures. The five-year APPER strategy consisted of the following:

- Measures for an accelerated implementation of the Lagos Plan of Action and the Final Act of Lagos.
- Special action for improvement of the food situation and rehabilitation of agriculture with emphases to be on overcoming drought.
- Measures to alleviate Africa's external debt.
- Measures for a common platform for action at sub-regional, regional, continental and international levels.
- Measures for action against the effects of the destabilisation policy of South Africa on the economies of Southern African States (OAU, 1995).

The debt burden on Africa was a major issue of concern during this summit and the final document (APPER) attributed Africa's debt burden to the external environment. It stated that:

“We are aware of the fact that shortcomings in development policies have contributed to the present debt crises. However, it is evident that the major causes of our country's debt servicing problems are external ones and such causes are unfortunately beyond our control. These include, *inter alia*, the deteriorating terms of trade and the consequent reduction in export earning for debt servicing, unprecedented rise in interest rates, sharp exchange rate fluctuations, deteriorating terms of borrowing and the reduction in the flow of concessional resources, the combined effects of which resulted in net capital outflow from most of our Member States. In this regard the 26 African LDCs have been most seriously affected” (OAU, 1985, p. 5).

The APPER document was presented to the UN General Assembly and approved in 1986 with the new name; United Nations Programme of Action for African Economic Recovery and

Development, 1986-1990 (UN-PAAERD). As part of ensuring proper monitoring and effective implementation of UN-PAAERD, ECA conducted a survey to find out the extent to which domestic socio-economic priorities conformed to that of UN-PAAERD. The result of the survey indicated that 92% of African countries had their domestic priorities under the umbrella of UN-APPAERD priority areas which included food and agriculture, development of supporting sectors for agriculture, transportation and communication as well as human resource development (ECA Secretariat, 1991). Also, 86% according to the report reflected these priority areas in their national budgets. However, during the final review of UN-PAAERD in 1991, there was no proper and practical evidence to show in Africa's economic growth. It was general acknowledged that "the economic and social conditions [in Africa] actually worsened over the five-year period of UNPAAERD" (Ratsimbaharison, 2003, p. 42). Again, the challenge for the African leaders with such developmental initiative was the implementation (Ohiorhenuan, 2010).

Thus, there was a clear problem of low commitment on the part of the very leaders who decided to follow and work towards a common goal in putting Africa on a respectable economic map of the world. It is not surprising that in response to the weakening nature of Africa's economic growth since 1980, attention was more skewed toward a concentration on priority areas such as food and agricultural production. This in the view of Sawyer (1990, p. 9) compelled African leaders to petition the international community through the auspices of the UN General Assembly summit, and the agreement between Africa and the international community for a collective effort in addressing Africa's poor economic growth. Thus, the principle of collective self-reliance gradually changed to partnership. The overconcentration on priority areas namely agricultural production meant that like LPA, industrialisation of African economies was least sought after and as such was never made a priority. African economies could therefore not survive without industrialisation.

The African Alternative Framework for Structural Adjustment Socio- Economic Recovery and Transformation (AAF-SAP) (1989)

The AAF-SAP was the brain work of the Nigerian Professor of Economics, Adebayo Adedeji. He and Raúl Prebisch (of Latin America) are considered to be the two prophets of regional integration (Adebajo, 2014). His relentless search for an African Alternative to the conventional SAPs comprised the use of variety of general specific case studies as well as processes of consultation and consensus building, beginning with the Abuja (June 1987) and Khartoum (March 1988) international conferences (Asante, 1991). In 1989, Adebayo Adedeji launched the famous and catchy 60-page African Alternative Framework for Structural Adjustment (AAF-SAP) under the umbrella of the United Nations Economic Commission for Africa (UNECA). Adebayo's notion of a new alternative framework for Africa's economic growth gained a wide global popularity. This programme was a direct opposite of the conventional SAP.

The AAF-SAP was underpinned by three major characteristics. First it was not a standard economic recovery programme applicable "indiscriminately" in all countries under all circumstances; second, it was a human-centred development approach which made democratisation in all aspects of economic and social activities highly inevitable; and lastly, it demanded collaboration between African countries and their development partners in both the implementation and funding of domestic country programmes (UNECA, 1989, p. iii). The last feature is very important since with the experience from the LPA, Africans continued to acknowledge the importance of a collective effort with assistance from development partners in

making domestic socio-economic policies achievable. Thus, although there was a 100% African ownership of alternative development plans, external actors also had a role to play.

The AAF-SAP had two main concurrent parts. First, the framework which forms the foundation of the design, implementation and monitoring of adjustment programmes. This part focused on five main strategic issues:

- A more vigorous pursuit of human-centred self-sustaining development strategy and process.
- Greater encouragement of production activities
- Greater democratisation of the development process and greater accountability by policy makers and public officials.
- Effective mobilisation of social and economic institutions for the task of adjustment and transformation.
- Renewed effort to accelerate the process of economic cooperation and integration (Asante, 1991, p. 177).

The second part of the framework according to Asante (1991) was connected to the alternative policy directions, instruments and measures that comprised the core of policy mixes for the varied African countries. The second part of the framework composed of the following elements inter alia:

- Ensuring policy continuity and compatibility between adjustment and transformation.
- Strengthening of the productive environment with increased productivity and judicious use of resources.
- Food self-sufficient.
- Restraint on expenditures on defence and on non-productive activities so as to release resource for the social and productive sectors.
- Full resource mobiliation.
- Creation of an enabling environment for development.
- Achieving collective self-reliance and economic integration.
- Lessening the dependence on economic exports.
- Lessening import dependence (Asante, 1991, pp. 177-178).

Thus, Adedeji's proposed alternative development framework was a direct opposite of the conventional structural adjustment by the IMF and the World in both principles and objectives. For example, while the conventional SAP concentrated on financial targets like budget balance, 'getting the prices right' and the workings of free market forces, the AAF-SAP focused on regional food sufficiency, satisfaction of basic needs for sustained growth and self-reliance, people's empowerment through access to basic factors of production notably land and capital and as well as the creation of job opportunities (Asante, 1991). Thus, unlike the conventional SAP, AAF-SAP was not a standardised economic recovery strategy, thus applicable to all situations. It was therefore more specific and flexible.

This development strategy was regarded as the one to ensure adjustment with transformation. In view of this AAF-SAP outlined some key policy directions namely: establishing a practical

balance between the public and private sectors, creating an enabling environment for sustainable development, shifting of resources from excessive military expenditure to social priorities (the greatest needs) and improvements in the pattern of income distribution among different socio-economic categories of households. These policy directions were highly considered to promote adjustment with transformation by influencing the dynamics and patterns of production, the effective size of domestic markets and mass poverty alleviation (UNECA, 1989).

The human-centred nature of the AAF-SAP made it very important strategy as it targeted the “people” for whom development is meant for. It shared some of the objectives of the previous strategies like the Lagos Plan of Action, calling for a regional economic integration and cooperation of African states. The difficulties and challenges associated with the implementation of the AAF-SAP were not different from those faced by the other development strategies, which would be examined in the subsequent section. An important recommendation of the AAF-SAP that makes it unique from the previous development strategies was the call for balancing agricultural production and industrialisation (Mentan, 2014). This specific recommendation demanded African economies to devote much attention to secondary production and not just primary production although it required the allocation 25% of public investment to agricultural production. It is not surprising that this framework received overpowering votes from the UN General Assembly with the United States being the only state to have voted against a resolution welcoming the multilateral financial and development institutions to consider the framework as a foundation for constructive dialogue and effective consultation (Mentan, 2014).

Reasons for the Failure of Alternative Development Strategies

African leaders have no problems with coming out with their own alternative development strategies in response to their economic dummy but the problem has been with the implementation. Thus, the chronic problem of policy non implementation hanging on the necks of African governments has a long history.

The lack of support from the donor countries and the Bretton Wood institutions (IMF and World Bank) was a major factor for the failure of the immediate alternative development strategies of Africa. Such initiatives were in fact seen as opposition strategies to the conventional structural adjustment programmes recommended by these Bretton Wood institutions especially when the Berg Report concluded that African domestic policies accounted for Africa’s crisis. A continent recovering from chronic economic recession and compounded with the deficits of SAPs was left with limited source of funding to ensure effective implementation of the various alternative development plans. It is even sad that ECA which was established by the UN to facilitate the long term development for the African continent became virtually inactive especially from the 1990s in the economic affairs of the very continent it was created for.

The concept of (collective) self-reliance is only effective in theory and at some point in time various development plans were inconsistent so far as self-reliance was concerned. For instance, UN-APPAERD whiles asserting the basic goals of LPA lacked its insistent on the principle of collective self-reliance (Sawyer, 1990). In practical terms, Africa’s continued dependence on external support is/was a major reason for the failure of the various development strategies. This leads to debt burden where African states concentrate on foreign debt payment instead of investing in the social and economic sectors to improve the well-being of the people. For this reason, Africa suffers from the problem of weak state capacity and as such internal policies of development are

dictated by donor countries and the international financial institutions specifically the World Bank and the IMF to suit their interest rather than the African continent.

Creating the necessary political atmosphere for the participation of citizens in both economic and political processes has also been an important factor explaining the failure of implementing African development initiatives. The zero-sum game of politics and power-drunkenness of African leaders continue to pose massive threat to the socio-economic and political development of the continent. In actual fact, a human-centred development agenda demands the right and sound political environment which was however lacking in the formative years of post-independent Africa. This period saw the intermittent interruption of military interventions and protracted conflicts in countries like Congo (former Zaire), Nigeria, Sudan, Ethiopia, Angola and Mozambique among others. Between 1980 and 1994, data on rate of mortality from violent conflict suggested that from two million to upwards of four million people have died as the direct or indirect result of violent conflict (Copson, 1994). Apart from the general loss of lives, both local investments and Foreign Direct Investments (FDIs) were seriously affected.

The reasons for the failure of implementing alternative development strategies of African have been captured succinctly and well summarised by Adedeji (2002, p. 4):

Unfortunately, all of these (African alternative Economic Recovery Programmes) were opposed, undermined and jettisoned by the Bretton Woods institutions and Africans were thus impeded from exercising the basic and fundamental right to make decisions about their future. This denial would have been ameliorated if the African leaders had shown the commitment to carry out their own development agenda. But given their excessive external dependence, their narrow political base and their perennial failure to put their money where their mouth is, the implementation of these plans has suffered from benign neglect. Lacking the resources and the will to soldier on self-reliantly, they abandoned their own strategies, including the two– UN–PAAERD and UN–NADAF [UN New Agenda for the Development of Africa] – which were crafted jointly with the international community under the aegis of the United Nations.

Conclusion

From the above analysis, it has been established that the penetration of Western capitalist system into Africa through colonialism and her subsequent integration into the world capitalist system brought a new dimension to the African economic system. The legacy of the capitalist economic system of colonialism left the first generation African leaders a big mountain to climb. The inherited colonial economies put serious pressure on the post-independent African leaders compelling them to adopt various economic policies, some with long-term effects and others with short-term effects. Although the LPA unquestionably provided an important foundation and development objective for the African continent, successive development strategies only came as by-products of the evaluation of previous strategies but not necessarily for the enhancement or continuation. The failure of a particular development plan made the search for other alternatives highly inevitable. The heady expectation after independence became a fluke in the eyes of the ordinary citizens.

Africa's alternative development strategies for economic recovery continued to be plagued with implementation leading to their failures. Post-colonial governments found it very easy to seek for alternative development plans as substitutes for the IMF and World Bank imposed SAPs but such Afrocentric development strategies, so to speak lacked practical action. Subsequent African development initiatives such as the African Charter for Popular Participation for Development (1990) and the UN New Agenda for Development of Africa in the 1990s (UN NADAF, 1991) were considered to be failed initiatives. The more recent New Partnership for Africa's Development (NEPAD, 2001) is also facing the challenge of effective implementation. A call for political will towards the effective implementation of African development initiatives is therefore very crucial. The African regional bodies responsible for development initiatives especially the African Union (AU) must not only be concerned about creating the platform for economic dialogue for both national and regional economic growth but should pay critical attention to the establishment of mechanisms for occasional and frequent monitoring and evaluation. It must also be noted that the principle of collective self-reliance can never be realistic if African countries continue to depend on external forces for development. As the realist would say states would always continue to preserve, protect and fight for their national interest in the international system. This is not to say that Africa can develop without any external support from development partners, in fact it will be puerile to assume that, but African leaders must be very cautious of total dependence on the external community to avoid the domestic policies being controlled by external forces. Africa must realise that the primary responsibility for her own development lies on herself and not any "external miracle".

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Endnote

¹ ECA was established by the Economic and Social Council (ECOSOC) of the UN in 1958 as one of its five regional commissions. The core mandate of the commission is to promote Africa's economic and social development, foster intra-regional integration, and promote international cooperation for Africa's development. To read more, visit <http://www.uneca.org/>.