

African Politics and Policy

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Editorial

Africa, as we reported here and at several points in time, has made considerable progress along the developmental path: it became richer, healthier, more literate, more urbanized and more economically diverse. Even better infant mortality declined, and life expectancy increased.

This success was due to a combination of factors: more aid, more foreign direct investments, more and better democracies, improvements in the quality of government and a commodity bonanza that allowed many African countries to export their natural resources for higher price.

Since the situation is changing and has been changing for the past couple of years, one has to wonder, as we have wondered about whether Africa is at the crossroads.

One of the reasons why the performance of many African economies is less dynamic than it has been for the first 15 years of the new millennium is that the demand and the prices of commodities have fallen.

Another reasons, analysts suggest, is that that wave of democratization that brought along better governance and development is morphing into a reverse wave.

This interpretation is possibly correct. It is possibly less correct to blame the international community and foreign powers for this unfortunate development. African so called leaders have their fair share of responsibility for why African democracies are experiencing an authoritarian drift: political leaders are responsible for the troubles that democracy is facing from Burundi to South Sudan. So while it is easy to blame the international community, analysts should also take notice of the fact that Africa's problems are also and often the result of the bad decisions taken by African leaders. And if we want African economies to consolidate, if we want to see improvements in the quality of government, if we hope Africa to develop, we need to understand that Africa above all needs new and better leaders and different leadership style.

Riccardo Pelizzo

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Tanzania's economy

This press recently noted that while agriculture remains the largest economic sector in Tanzania, industry has increased significantly in the past few years. From 2009 to 2014 industry increased by 82 per cent- the press reported.

But while one could understand why one country may wish to industrialize and why the press may be willing to celebrate the signs of an ongoing industrialization, one should also not forget that from 1995 to 2015 tourism has been a very significant contributor to the GDP. In this period in fact tourism has represented from a minimum of 3.75 per cent of the GDP in 2000 to a maximum of 9.5 per cent of the GDP in 1995, with an average for the period of more than 5 per cent.

Hence while there is every reason to celebrate Tanzania's industrialization, its ability to diversify (to some extent) its economy, one should not forget what has been for many years one of the most important drivers of the country's economy: tourism!

Corruption Perception Index 2017

By Riccardo Pelizzo

Transparency International just released Corruption Perception Index for 2017. The results are quite interesting. After a long fight against corruption Kazakhstan has been able to improve its score on the Corruption Perception Index for two consecutive years and, for 2017, it was given a score of 31. This means that TI believes Kazakhstan to have some corruption, but considerably less than it had had in previous years. Kazakhstan's CPI score is its best ever, which confirms how well Kazakhstani authorities have worked to reduce corruption in the country.

Italy has also improved its CPI score for the second year in a row and for 2017 it was assigned a score of 50, which means that Italy is at the middle point of CPI which ranges from 0 (total corruption) to 100 (no corruption).

At the top of the rankings we have the usual suspects: New Zealand, Denmark, Finland, Norway, Switzerland, Singapore, Sweden and in each of these countries, except for Norway and Singapore, the level of perceived corruption has increased.

How did African countries perform in 2017? Some of them, like Botswana, did really well. With a score of 61, Botswana is the 34th least corrupt country in the world. This means that it better than all the other African countries, but that it also did better than several Western European countries. Botswana outperformed Italy, Malta, Czech Republic, Spain,

Seychelles is 36th with a score of 60—again much better than Italy and Spain. Cape Verde and Rwanda, with a score of 55 (again better than Italy) are tied for 48th position.

Namibia, with a score of 51, is just ahead of Italy, while Mauritius is tied with Italy with a score of 50. This is the good news.

Sao Tome and Principe scored 46 points, Senegal 45, South Africa 43 while Burkina Faso, Lesotho and Tunisia all scored 42 points. Ghana and Morocco scored 40 points. These countries, fall below the mid-point of the CPI, which means that have quite a lot of corruption, but that they are not far off from that mark and they all more transparent than their level of political and socio-economic develop-

ment would lead one to expect. This is not good, but in many ways it is good enough.

And then we have the bad and the ugly news. Somalia is the most corrupt country in the world and the situation is deteriorating, South Sudan is the second most corrupt polity in the planet, Sudan is the 6th most corrupt, Libya is the 7th most corrupt, while Guinea Bissau and Equatorial Guinea share the honor of being the 8th most corrupt polity.

Africa has 6 of the 8 most corrupt countries in the world. Sub-Saharan Africa has 5 of the 8. No continent, no region has more corruption than Africa, which needs transparency more than any other region to achieve its developmental objectives.

There are several reasons why there is corruption in Africa and why the level of corruption is increasing. Two of these are particularly problematic: Africa lags behind in terms of political development or institutionalization and because of this it is unable to produce the kind of leaders and leadership style that would be required to curb corruption and promote socio-economic development.

And these twin problems are what, in our not always terribly modest opinion, Africa should, with the help of the international community, try to address. If these problems are not solved, Africa will never be able to capitalize on long spells of strong economic growth, to make progress along the developmental path and in the eradication of poverty.



The Ram God

In a famous scene of Young Frankenstein, Gene Wilder (Dr Frederick Frankenstein) says “destiny, destiny, there is no escaping that for me”.

Somehow, this line was distorted by the memory into a “destiny, destiny, there is no escape for me”. Many years later, not sure exactly when, I was telling a friend that the cult of Zeus Ammon, a Zeus depicted with ram-line horns, traveled from Egypt to the Kingdom of Kush and from there to West Africa where, several of the local Gods of Thunder, of the lightning, of the sky, are depicted exactly in the way the Ancient Egyptians had represented Zeus Ammon.

My friend, who was writing something on these and related topics, asked me to find the reference. And once again, memory tricked me into searching some books on Yoruba gods. I realize now, after having searched for years something that I had accidentally read in 2000 in some books I was using to gather information on Timbuktu, that the discussion of the diffusion of the cult of them Ram God in West Africa appeared in Basil Davidson's Lost Cities of Africa (p.61) -who incidentally was not sure whether this cult had originated in North or central Africa (but why not in both places?).

That was my source. If memory had not pointed me in the wrong direction, I'd have been faster in finding a reference I have been looking for more than I care to admit.

The puzzling Tanzanian Puzzle

By Abel Kinyondo and Riccardo Pelizzo

Tanzania has consistently recorded some impressive economic growth over the past two decades. In fact, the Gross Domestic Product (GDP) growth has averaged 6% over the same period. To appreciate this level of growth, one needs to grasp the definition of sustained economic growth as provided by the likes of Arrighi (2012). He argues that a sustained economic growth experience is attained when a country experiences a consistent growth of 3.5% a year or more over a period of 10 years. Tanzania has more than achieved this milestone.

It is thus in order to congratulate the government(s) of Tanzania for the ongoing growth. Nevertheless, the talk around streets and media in Tanzania is rather darker than the rosy picture painted above. Indeed, if there is one most common question posed by Tanzanians today is that if we really have such an impressive economic growth why is the situation among people not improving? Is the data about economic growth cooked? Just where is the money?

The government point of view on the matter has been straight forward. The growth is real, and the evidence is there to be seen by everyone. At times the argument goes to the level of accusing those complaining about the questioned growth as those who benefited from corrupt deals in previous governments. To the government's credit, international organizations such as the World Bank, International Monetary Fund, African Development Bank, just to mention but a few, have all indicated that the growth in Tanzania is as impressive as the government claims. But the question still lingers, just where is the money? Why is the considerable number of Tanzanians, by and large, still poor?

Well, the one fact that we all ought to understand is that while economic growth is a necessary condition for poverty reduction, it is never a sufficient condition. This means that economic growth may be real but not really pro-poor. There are many reasons that can make the growth non-inclusive. We will discuss some of the most pertinent ones next in this article.

The first reason is entrenched within the definition of GDP itself. Indeed, by definition, GDP aggregates all outputs (incomes) produced in the economy regardless of who produces them (local or foreigner). The aggregation actually means that the growth of economy as measured by GDP can be inflated by the wealthy few (local or otherwise) rather than by Tanzanians in their totality. It is not surprising then to see the haves enjoying the dividends of growth while the have-nots wonder if the growth exists in the first place. The fact that the GDP measure disregards some important aspects of work e.g. housekeeping; and the general well-being of people e.g. access to quality health and education makes GDP growth a very misleading measure to appreciate the inclusivity of the economic growth.

The second reason pertains to sectors that contribute to the growth itself. According to the data from the National Bureau of Statistics, the agricultural sector that accommodates the majority of Tanzanians (66.3%) contributes only 26% to the growth of GDP. This implies that most people in Tanzania share a smaller cake of the nation as compared to the privileged few. The only way around this would be for the agricultural sector to undergo transformation in such a manner that more (agricultural products) is produced by fewer people thereby allowing rest to move to other sectors in the economy preferably manufacturing sector which can accommodate the workforce with limited education qualification. This would also entail raising education levels for people working in the agricultural sector as well as intensifying

the establishment of manufacturing firms across the country.

Thirdly, understanding the plight of the majority of Tanzanians failing to enjoy the fruits of the economic growth warrants an acknowledgement of income inequality problem in the country. Indeed, the data made available by the National Bureau of Statistics, shows that little to no progress has been made with regards to reducing inequality. In fact, the data on inequality (Gini coefficients based in expenditure distribution) indicates that inequality in Tanzania has increased from 1991-92 to 2000-2001, remained at this slightly higher level from 2001 to 2007, and returned to the 1991-92 level in 2011-12. In other words, from 1991-92 until 2011-12 (a period of 20 long years), inequality has not decreased in Tanzania. If authorities such as the Nobel Prize Winners in Economics, Amartya Sen and Joseph Stiglitz, are to be believed when they argue that poverty reduction is impossible in the presence of deep income inequality, then Tanzania still has a long way to go before its impressive economic growth can be beneficial for the Tanzanian population as a whole.

It is no wonder then that the data on poverty made available by the National Bureau of Statistics, shows that the percentage of Tanzanians who lived below the poverty line with regards to basic needs has been decreasing very sluggishly. Specifically, 38.6 per cent of the Tanzanian population lacked basic needs in 1991-92, the percentage declined to 35.7 in 2000-01, it declined further in 2007 and reached 28.2 per cent of the population in 2011-12. That's a 10 percent drop in 20 years, this happening at the time when the economic growth in Tanzania at times shot as high as 8% per annum. Surely, the problem of inequality needs to be tackled head-on if the situation has to improve in the country. An important point to make at this juncture is that as pretty as economic growth numbers have looked over the two decades, we ought to keep in mind that development is about people. While impressive, an average of 6 percent growth means little if a pregnant mother dies on the way to the health centre located 10 miles from her home; if a kid has to walk 10 kilometers to get to a school with no books, enough teachers and other necessary amenities; if there are no efforts to improve productivity in agriculture; if basic necessities such as water and electricity are still a luxury to the majority of Tanzanians etc.

Put differently, efforts to make lives and not things better are where the real jackpot is. So, yes, we need planes, fly-overs, bridges, standard gauge railways, tarmac road etc. However, in the midst of all that, the basic needs of human being have to be given their due priority. The late Mwalimu Nyerere gave us necessary priorities in ensuring inclusive growth when he talked about 'the three enemies of development' so we need not to re-invent the wheel. These include *ignorance* (improve the access and quality of education), *diseases* (improve the access and quality of health services) and *poverty* (pursue inclusive growth by fighting inequality).

In conclusion, Tanzania has recorded some impressive economic growth over the last two decades. It should however be noted that this economic growth has not been inclusive. It is therefore not surprising to find that most Tanzanians question the authenticity of the growth being proclaimed time and again. While there is no question whatsoever about the growth numbers in Tanzania, the government ought to realize that economic growth is never a sufficient condition for the amelioration of the life conditions of the Tanzanian citizens: creating wealth is one thing, distributing in equitable manner is quite another. It is in this context that we have argued for transformation of the agricultural sector and curtailing of income inequality. Prioritizing quality service delivery such as that in education and health would also go a long way to ensure that people get to 'feel the growth in their pockets'. Indeed, that's where the money is, and the core responsibility of the government is to show it to the people that put government in power in the first place.

Corruption

By Riccardo Pelizzo

Corruption in Kenya: High but decreasing

Corruption in Kenya is pervasive. According to Transparency International, which measures the level of transparency or the absence of corruption on a 100-point scale, Kenya in 2017 deserved a score of 28. Kenya was the 143rd country in terms of transparency and, like many other countries in Sub-Saharan Africa, was at the bottom of the global rankings. Differently put, only in a few countries there is more corruption than in Kenya. But the good news is that corruption is decreasing. Kenya received a score of 25 in 2015, of 26 in 2016 and of 28 in 2017.

Kenyan Police Tops Corruption Rankings

Corruption in Kenya is high but is decreasing as we reported in a previous article. The press however reported that “Kenya Police has once again topped the list of most corrupt government departments in a survey by the Ethics and Anti-Corruption Commission.”

The findings of this survey are consistent with the survey data collected by Afrobarometer. Afrobarometer asked Kenyan respondents to say how many people in various institutions are involved in corruption.

For 40.5 per cent of Kenyan respondents most or all the members of the Office of the Presidency are engaged in corruption, 51.2 per cent of the respondents believe that most or all members of parliament are involved in corrupt activities; for 24.4 per cent of the respondents most or all judges are corrupt, while for more than 70 per cent of the respondents police officials are corrupt.

Corruption in Sub-Saharan Africa

Countries in Sub-Saharan Africa as we noted earlier on top the corruption charts. Africa is the home of of the eight most corrupt countries in the planet, including the two most corrupt ones (Somalia, South Sudan).

The fact that some countries in SSA have such a high level of corruption and that the continent as a whole is known to have a serious corruption problem overshadows the fact that

a) in some African countries, such as Botswana, the level of corruption is fairly low and

b) in some countries, corruption is decreasing.

According to the Afrobarometer, in the 12 months prior to the administration of the survey, 43.6 per cent of the respondents reported that corruption had either decreased a lot or somewhat in Benin. The respondents' perception is consistent with the estimates of Transparency International that recorded a substantial increase in transparency or a substantial decrease in corruption in Benin.

There are countries, such as Mali, where corruption has increased according to both Transparency International and Afrobarometer.

There are countries, like Kenya, where the decrease in the level of corruption reported by Transparency International is not mirrored by the data collected by the Afrobarometer. When asked whether and how corruption had changed, 66.8 per cent of the respondents told Afrobarometer that corruption had increased somewhat/a lot.

Kenya is not exceptional in displaying a discrepancy between the two series of data. According to Transparency International the level of corruption in Malawi is high but it has been stable at the same level of the past three years. Afrobarometer data paint a drastically different picture: for 72 per cent of the respondents corruption in Malawi had increased and for 65.8 per cent it had increased a lot.

These findings have a clear meaning: since both sets of data paint exactly the same picture, it is fairly safe to assume that corruption has declined in Benin (and, for that matter, in Tanzania) and has increased in Mali. The fact that there discrepancies as to whether and how corruption levels changed, it is more difficult to say whether corruption in Kenya (or Uganda) has actually decreased or not.

But one thing is clear: regardless of whether and how much corruption in Sub-Saharan Africa remains too high and, given its social, political, economic and developmental costs, governments in the region should take a tougher stance and do more to bring corruption to a more acceptable level.

Are Uganda's tourism data reliable?

The press questioned Uganda's tourism data. Since we've been doing quite a bit of research on this and related issues, we are somehow in the position of setting the record straight.

Are Uganda's tourism data valid and reliable? And the answer is that yes some of these data are very good, that some other data are not terribly good, and that the poor quality of data is common problem in the East African region.

With regard to the number of international arrivals the data made available by the Ugandan government and the data made available by World Bank paint exactly the same picture. Hence, the evidence suggests that such data are validated.

The data on employment in the tourism sector are, however, much less precise. The government data indicate that tourism is responsible for 1.7 per cent of the employment in rural areas, 2.3 per cent overall and that urban labor in hotels represents 4.5 of the whole urban labor.

These data are not terribly precise and, clearly they are not as good as the data that Mauritius or Tanzania make available on such issues, but, that said, they are actually better than the data that one could collect from Ethiopia (and, incredibly, from Kenya).

So Uganda's tourism data are not always bad, are actually in some respects rather precise and they're not worse than in the rest of region.

The press, obviously, every right to demand better data. Scholars should voice a similar demand. But in fairness, such demands should be placed not only on Ugandan authorities but also on the authorities and statistical agencies operating in the rest of the region.

R.p.

East Africa at a crossroads?

Africa has done well in the 2000-2014 period. East Africa has done particularly well.

Economic growth, development, have literally transformed the region and the continent. The question is whether East Africa will be able to build on its recent accomplishments or whether it is entering a phase of slower growth.

We obviously do not know. Official estimates indicate that strong economic growth is forecasted for the next few years. But poor management of the state accounts, rising public debt, coupled with an increase in bad loans that may deal a devastating blow to the banking sector make one wonder whether and to what extent the region is going to enjoy strong growth.

Cashless Africa?

According to some articles in the press 'Africa must fully digitize before it can go cashless'. This article, or rather the interviewer and the interviewee may not be aware of the fact that a large portion of the African continent and a large portion of the African population are already cashless.

The Afrobarometer in fact revealed that 16.1 per cent of the respondents to the survey administered in 2016-18 reported that they ALWAYS go without cash income; 30.4 per cent reported that they go without cash income MANY TIMES and 30.7 per cent of the respondents reported going without cash income SEVERAL TIMES. Only 10.6 per cent of the respondents reported NEVER going without cash income.

More than internet penetration, digitalization, online payments, African workers need jobs in the formal sector and cash income. Only after this result is achieved, and it has not yet been achieved, we can start thinking about whether workers should be paid in cash or online. But as long as African workers lack jobs, are paid in kind, or are not paid at all, thinking about what Africa needs to go cashless, it is rather premature.



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Job Opening

The University of Witwatersrand is looking to appoint 2 professors of Technology and Operation Management

https://irec.wits.ac.za/OA_HTML/OA.jsp?OAFunc=IRC_VIS_VAC_DISPLAY&p_svid=73053&p_spid=3670266

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