

The Challenges to Africa's Economic Development Since The 1960s

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Abstract- Africa is one of the richest continents in the world in terms of natural and mineral resources as well as human resource and yet the poorest of the poor. Over three hundred million people in Africa still live on less than US \$1 per day. It is also on record that the post-independent Africa states have undergone several political and economic reforms yet there is little or no-development to show for it. The African continent is faced with a lot of development hurdles or challenges which have become salient features of the continent. In view of the above human and mineral endowments in Africa and yet the continent's economic development remains a mirage owing to some challenges which have become endemic in the society. However, this paper sets out to interrogate the challenges facing or bedeviling the Africa's economic development since the 1960s. The paper adopts a qualitative research methodology and made use of both primary and secondary sources such as relevant books, institutional publications among others. It was discovered in the course of the research that Africans are the major cause of their economic underdevelopment.

Indexed Terms- Challenges, Economy, Development

I. INTRODUCTION

The continent richly endowed in all ramifications is wallowing in abject poverty since 1960s. This is not far-fetched from the lifestyle of the elites who have seen the continent as a personal enterprise to the detriment of the teeming population. After more than a half a century of independence, Africa is still home to majority of the world's poorest people irrespective of the enormity of human and material resources in its armoury which calls for more than just tears¹. Today, Africa is bedeviled by series of challenges which have made the economic development of the continent a mirage or somehow insurmountable. These challenges

of Africa's economic development are corruption, leadership problem, human capital flight, external debt burden, challenge of mono-economy, insecurity and conflict among others. These challenges to Africa's economic development would be critically analyzed in this paper. It is pertinent to state that Africa's stride and struggle for economic development of the continent are hampered by the above challenges identified.

II. CHALLENGES TO AFRICA'S ECONOMIC DEVELOPMENT

1) **BRIBERY AND CORRUPTION AMONG STAKEHOLDERS:** This is a cankerworm that has tragically devastated African continent and made millions of people destitutes. From South Africa to Egypt the tentacles of corruption reaches everywhere. From the offices of presidents and prime ministers to the smallest administrative unit of government, corruption is everywhere². It is truly heartbreaking that virtually all the agencies of government in most African countries have been permeated by the act of bribery and corruption. According to Kraus, corruption is worse than prostitution. The latter might endanger the morals of an individual; the former invariably endangers the morals of an entire country³. It is also pertinent to note that bribery and corruption exist everywhere but mostly entrenched in developing countries, especially in African countries. Corruption is illegal everywhere in Africa to the extent that most African countries such as Nigeria has an agency bestowed with the power and authority to fight corruption in the country. These agencies are: EFCC and ICPC Economic and Financial Crime Commission and Independent Corrupt Practices and Other Related Offences Commission during the civilian administration of Gen. Olusegun Obasanjo, yet everywhere it is woven deep into the fabric of everyday life. The diversion of funds earmarked for economic

development to arms procurement with which to fight perceived domestic enemies and also to a private account in overseas bank is so glaring in most African countries. Corruption is a disease, a cancer that eats into the cultural, political and economic fabric of society and destroys the functioning of vital organs. In the words of Transparency International, “corruption is one of the greatest challenges of the contemporary world. It undermines good government, fundamentally distorts public policy, leads to the misallocation of resources, harms the private sectors and public sector development and particularly hurts the poor⁴.

Be that as it may, the critical issue in development is not whether corruption happens, but whether the dirty money stays in the country. Mobutu took billions of dollars out of Zaire, wrecking the Zairian economy⁵. This capital flight among the African corrupt officials is also seen in Nigeria. It is reported that since the independence of Nigeria in 1960 to 2010, the country has lost \$500 billion to corruption⁶. It is more painful when the looted funds are banked in foreign banks wrecking the African economy. Again, the issue of the ex-petroleum minister of the Federal Republic of Nigeria, between 2010 and 2015, Mrs. Alison-Madueke involved in a bribery and money laundering scandal. It was alleged that \$20 billion of oil money had gone missing when she was in office. It is also on record that investigation in Kenya after President, Daniel Arap Moi left indicated that at least \$1 billion had been sent overseas by former officials to the detriment of Kenyan economic development⁷.

Finally, bribery and corruption in African continent is a cankerworm that has eaten the basic fabric of the continent’s economic development. The natural and human resources in Africa are quite enough to be utilized effectively for the economic development of the continent since 1960, but the corrupt tendencies of the stakeholders have retarded the economic development. The kleptomaniac and “lootocracy” among these stakeholders have become an insurmountable challenge to Africa’s economic development as the cankerworm seems to run in the blood of African leaders.

2) THE HUMAN CAPITAL FLIGHT AMONG THE AFRICAN CONTINENT: This is another major challenge to Africa’s economic development as seen in most African countries where the best brains, skilled and talented persons seek for greener pasture in the western world to the detriment of their home-countries. The loss of trained and highly skilled Africans to the industrialized countries has intensified the capacity constraints facing the public and the private sectors and thus the deficit of skilled manpower, which African countries so badly needed for poverty reduction and economic development. This continuous loss of skilled manpower to industrialized nations is attributed to socio-political instability, inappropriate economic policies, poor infrastructure, ethnicity, nepotism and weak institutions in African countries⁸.

In most African countries, this human capital flight is seen among the professionals where medical doctors, nurses, lecturers, pharmacists, engineers refused to return to their home-countries after additional training. This has become a major challenge to the economic development of their home-countries, Africa. It is estimated that between 1960 and 1975 that about 27,000 highly skilled Africans left the continent for the west. This figure instead of decreasing in the subsequent years continued to increase to the detriment of economic development of Africa. The number increased to about 40,000 between 1975 to 1984 and doubled by 1987. The figure continued unabated to an extent that Africa lost over 60,000 professionals which included doctors, engineers, university lecturers etc between 1985 and 1990⁹. The challenge of brain-drain in Africa has continued annually that 20,000 skilled labourers are lost annually. The negative impact of human capital flight to Africa’s economic development is seen in virtually all the sectors of the African economy as well as in all the countries of Africa. The report of UNDP Human Development Report in 1998 stated categorically that more than 21,000 Nigerian doctors are practicing in the United States alone while Nigeria’s health system suffers from a severe lack of medical practitioners. The same thing is seen in Ghana where 60 percent of all Ghanaian doctors trained locally in the 1980s have left the country and in Sudan, 17 percent of doctors and dentists, 20 percent of University lecturers, 30

percent of engineers and 45 percent of surveyors have gone to work abroad to the detriment of the economic development of their home countries – Africa.¹⁰

This human capital flight otherwise known as brain drain is a major challenge to Africa's economic development as the majority of the best brains in their area of specialization have abandoned this continent for other nations abroad. The case of a computer guru or wizard, Philips Emeagwali comes to mind in analyzing this point. The same thing is witnessed in the sport industry, where most of the renowned professional footballers are hired by foreign football teams to the detriment of their national teams. This brain drain syndrome in Africa has led to the poor living standard as well as poverty among the teeming population.

3) **THE EXTERNAL DEBT BURDEN ON AFRICAN COUNTRIES:** The burden of external debts on African countries is excruciating to the economic development of the continent. The manner and style of borrowing from foreign countries and International Financial Institutions by the leaders of African countries with high interest rate is so alarming. According to Ndikumana and Boyce, an estimated 80 percent of Africa's external borrowings has been captured by their ruling elites and channeled into private assets held in offshore accounts.¹¹ The external debt burden on African countries has led to many African nations in the 1980s becoming slaves due to the debts owed to the World Bank and IMF. The act of servicing these loans and the implementation of stern Structural Adjustment Programs bore Africa's economic development.

Africa as a continent is heavily indebted to foreign countries and international financial institutions. Africa's total external debt rose from \$112 billion in 1980 to \$ 270 billion in 1990 and at a slightly slower pace to \$ 325 billion at end of 1998.¹² In view of the above, the key debt ratios in Africa showed that 29 out of the 53 African countries are currently classified as severely indebted. The external debt burden on African countries continued despite almost 20 years of debt relief efforts from the Paris and London Clubs, from bilateral aid donors and more recently from the Bretton woods institutions. It is also important to note

that African countries especially Nigeria continued to borrow from World Bank to finance some key projects in the country with its excruciating conditions. The Nigerian government on June 14, 2001 was granted a credit termed Nigerian privatization support to the tune of US \$ 114.29 million at a grace of 10 years and maturity age of 35 years.¹³ In December 14, 2004 International Development Association through World Bank granted another credit of US \$ 140 million to support economic reform in Nigeria and in June 28, 2005, another US \$ 18.1 million granted to the Nigeria government.¹⁴ It is on record that these rounds of loan-seeking government of Nigeria continued unabated even in the current administration of Gen. Muhammadu Buhari whose style and manner of borrowing is highly alarming as well detrimental to the economic development of Nigeria. The current external debt of Nigeria is \$ 32.9 billion as at March, 2021 which is injurious to the economic development of the country.

Be that as it may, the aid relationship has created a condition of economic subservience and of a master-servant relationship that could generate persistent seeking and lobbying for foreign aid through borrowing. According to Moyo, the aid and loans are not working in Africa because it interfered with development as the money ended up in the hands of a small chosen few, making it injurious to the economic development in Africa.¹⁵

4) **THE CHALLENGE OF INSECURITY, VIOLENCE AND CONFLICT IN AFRICA:** The issue of insecurity, violence and conflict in most African countries is undoubtedly a major challenge of Africa's economic development as the available resources are channeled to fighting this problem. The litany of insecurity, violence and conflict in Africa since the 1960s are too numerous to be recounted in this paper. It is important to state here that coups, violent riots, civil wars, banditry, insurgency (boko haram), herdsmen/farmers' clash, Endsars, kidnapping, the activities of unknown Gunman are all subsumed in insecurity, violence and conflict in Africa. The above violence and conflict serve as the instruments for organized violence and their risks reduce economic development. It is also worthy of note that most civil wars in post-independence Africa are usually

perpetrated by aggrieved minorities who felt marginalized.

According to Ibrahim, the estimated cumulative cost of Sudan's civil war is US \$ 23 billion.¹⁶ It is crucial to note that in the event of violence and conflict in a country, the nation's available resources are allocated to address the immediate concerns of the day and are less likely to be allocated to education, the creation of infrastructure, or the strengthening of social capital. Many African military coups are highly fractional and tend to be dominated by tribal and sub-national groups which are injurious to political stability and economic development in Africa. It is also on record that in 2000, 30 major conflicts in the world, 10 out of 23 civil wars were located in Africa. These conflicts cost US \$ 138 billion and caused approximately four million deaths. Between 1980 and 1992, intrastate wars caused the displacement of 16 – 40 million people.¹⁷ Conflicts in Africa remain a major challenge to the economic development in the continent. Civil conflicts have occurred in no less than 20 countries since 1996, resulting in severe human suffering, increased poverty, material destruction and extensive dislocation of economic activities.¹⁸ In most African countries such as Mali, Somalia, Sudan, Cammeroun, Chad, and particularly Nigeria have insecurity, violence and conflicts which could be termed political, ethnic, religious in their manifestation. In Nigeria, the manifestations of these political, ethnic and religious conflicts and violence are seen in almost all the six geo-political zones of the country. The secessionist-Biafra Group (IPOB) Indigenous People of Biafra in southeast which has metamorphosed into the callous acts of the unknown Gunmen, wrecking havoc on the government facilities such as police stations and other public facilities, unleashing untold hardship on the citizenry.¹⁹ In the northeast, the story is more precarious as the activities of insurgency or boko haram, banditry have enveloped the people and economic activities dwindled so drastically. The displaced people in most of these areas have little or no-contribution to the economic development of Nigeria and Africa at large.

One greatest impact of these violence and conflicts in Africa is that the loss of lives of the teeming population that would have contributed significantly to the economic development of Africa. Another one

is the channelling of the available resources to address the challenges, thereby having little or none for other sectors of the economy.²⁰

Finally, the rate of insecurity, violence and conflicts in Africa is unimaginable as this challenge continued to escalate owing to some perceived personal interest by some highly placed persons in these violence and conflicts prone regions in Africa. This could be justified by an Igbo adage "*Ala a doro ma bu uru ndi nze*". All these insecurities in different part of Africa such as Rwandan genocide, civil war in Sierra-Leone, Liberia are all indications of insecurity, violence and conflict.

5) GOVERNANCE AND LEADERSHIP CHALLENGE IN AFRICA: The issue of governance and leadership challenge has been seen as one of the major challenges to Africa's economic development as most African leaders are selfish in their approach to governance in Africa. There is no more selfless services to the people, patriotism to national goals is not found among African leaders. The conducts of the masses are only a reflection of those of their leaders and the vices of the people only mirror the vices of their leaders. So the frightening crime rate and insecurity in Africa continent and Nigeria in particular is only a symptom of the criminality of African ruling class.²¹ Presently, as African leaders are greedy, corrupt, fraudulent and immoral, the African society will inescapably be greedy, corrupt, fraudulent and immoral. It is because the African power elite failed in their role as leaders that they have taken to harassing and hectoring the people, in the name of fighting crime for what is really a leadership failure. The leadership in Africa is so bad that once a leader occupies an office, the person would want to remain in the office for life. The intent of the leader to remain in office for life is coupled with autocratic and tyrannic disposition of the leader. This act of African leaders is inimical to the economic development of African continent.

Be that as it may, for the past six decades, the African continent has been bedeviled by the crisis of leadership due to unclear ideology. It is obvious that most of the Africa's leaders rise to power without understanding what governance is all about and hence

leads to failed and autocratic leaders in Africa. The staggering wave of violence, insecurity, increasing crime wave, economic recession coupled with the break in law and order are the attributes to the problem of leadership and governance in Africa. Therefore for economic development of Africa to be sustained, the quest for good and transformative leadership is sine-qua-non. It is also important to note that there is a nexus between a good leadership and sustainable economic development.

However, the major challenge to Africa's economic development is prolonged dictatorship. These dictators as earlier stated saw their offices as their birthright. They included: Ethiopia's Emperor Haile Selassie (44 years), Gabon's Omar Odimba Bongo (42 years), Libya's Moammar Gaddafi (42 years), Togo's Gnassingbe Eyadema (37 years), Egypt's Hosni Mubarak (31 years) among others.²³

Finally, the leadership challenge in Africa has led to most of these leaders' mismanagement of the economy and inappropriate allocation resources. The failure of the African leaders to build the infrastructure that could be utilized to refine the natural and mineral resources in Africa. This inadequate mechanism for refining the African natural resource led to the exportation of the mineral resource in its natural state. This is seen in Nigeria where the crude oil is exported in its natural form and after it has been refined, it would be imported. Why has the past Nigerian leaders not been able to build oil refinery? The above question is attributed to bad governance and leadership failure. This is also seen in Angola and other African countries.

6) CHALLENGE OF MONOECONOMY IN AFRICA: This is one of the major challenges to Africa's economic development as a result of non-diversification of the African economy. Most African countries still practice single-economy or mono-economy where the country's revenue is generated from a particular mineral resource to the detriment of other sectors of the economy. In Nigeria for instance, the discovery of crude oil and its subsequent boom in international market in 1970s made crude oil the chief source of revenue to the Federal and State Government. From the early 1970s to the second decade of the present 21st century, oil and gas have consistently

accounted for between 95 percent and 98 percent of the country's export earnings. With the above revenue from oil, the agricultural sector was neglected not only in regard to finding but also with respect to the provision of basic social infrastructure as well as modern inputs.²⁴

The challenge of mono-economy in Africa is worrisome to an extent that almost all the African countries such as Kenya, Ghana, Angola, Nigeria still export single product in a raw form instead of refining them in Africa to create job opportunities for the teeming population. Despite the African mono-economy, which most of them are still in their infant stage in terms of the available resources for export, the African still compare their economy with the industrialized nations of the world which is laughable.

7) CHALLENGE OF HIGH-LABOUR COST AND LOW PRODUCTION RATE IN AFRICA: Africa's economic development is faced with the challenges of high labour cost and low productivity in Africa. These low productivity and high cost of labour are attributed to high cost of energy which has led to epileptic power supply in most African countries. Due to inadequate power supply in Africa, the few available industries resorted to the use of personal power generators for their industrial production. The quantity of diesel utilized for production in most industries is too worrisome for an industrialist to continue in the production.²⁵ And the few available product produced with the use of personal power generator will cost higher compared to those produced without diesel. With the means of production above, the cost of production becomes high and leads to low production rate.²⁶

Finally, this high cost of labour for production in Africa has led to the high cost of goods manufactured in African continent. And due to high cost of these goods manufactured in Africa, the Africans go for alternative goods available to the detriment of African manufacturers. The industrialists would in turn reduce production rate as a result of the unsold goods which become injurious to the economic development of the continent.

8) THE CHALLENGE OF INFORMATION AND COMMUNICATION TECHNOLOGY AND ILLITERACY IN AFRICA: The economic development of Africa is seriously challenged by the inadequate facilities to enhance information and communication technology in Africa as well as high rate of illiteracy among the African society. This illiteracy is so inimical to the application of ICT on the day to day life of most African citizens. The Africans are known as copycats of western pattern of living which can hardly be sustained in Africa. The Automated Teller Machine as well as the main cashless economy been advocated in most African countries especially Nigeria where the level of illiteracy is high cannot be sustained.²⁷ The rural women who deal on agricultural produces from their farms have no business with cashless economy and therefore the issue of ICT becomes ineffective and useless to them. The use of ICT for the conduct of some examinations in Africa especially Nigeria is still far from achieving the desired goal. The students, candidates and parents lament over the poor network during the conduct of some of these examinations. The African countries lack the much-needed infrastructure to enhance the application of Information and Communication Technology coupled with the high rate of illiteracy.²⁸ This becomes inimical to the economic advancement and development in Africa.

Finally, with the wave of globalization through Information and Communication Technology which most African countries are yet to be part and parcel of due to high level of illiteracy and lack of the needed facilities to embrace, the people are still novice to the pure application of information and communication technology to their daily life which is detrimental to the economic development in Africa.

CONCLUSION

It is obvious that the challenges to Africa's economic development since the 1960s are inexhaustible. The strides for economic development in Africa are hampered by the challenges enumerated above and others such as the challenge of HIV/AIDs scourge on Africa which has led to the untimely deaths of many parents rendering their children orphans. In view of the

above challenges, the economic development of Africa can only be achieved and sustained through a concerted effort of African leaders in addressing the challenges inherent in their strides for development. What is clear from the foregoing is that the length of Africa's strides on the path to sustained economic development is to be determined by the pace of addressing the issues raised. These issues or challenges are, however, not insurmountable with a concerted efforts of all the stakeholders.

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