

# How Sub-Saharan Africa Can Become a Stable Economic Region

Written by Kenneth C Upsall

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### **Emerging from the Colonial System: Another Look at how Sub-Saharan Africa can become a Stable Economic Region**

The process of economic independence does not occur concurrently with the process of political independence. When a former colonial possession achieves political independence, their economy is still engaged in a colonial economic system; this is apparent nowhere more so than in sub-Saharan Africa. The ability for the new state to transition from the colonial system to the current global capitalist system is a process of establishing institutions within the state to foster domestic growth and create economic sustainability for the state. In an effort to assist developing states transition from colonial to the global capitalist system, developed western nations have used foreign aid to help feed the people, build infrastructure and prop up the governments of emerging "democracies." This kind of dependency perpetuation is no better for developing states than the colonial system they are attempting to remove themselves from, indeed, aid is simply a proxy for colonial rule, and does not carry a developing state in the proper direction toward established institutions and an economy successfully established in the global capitalist system.

Independence politically occurs with the sweep of a pen and a handshake at a ceremony. Most of these occurred for sub-Saharan Africa during the 1950s and 60s. Since then there have been few economic success stories involving a state's transition from colonial economies to a stable place on the global stage. Immanuel Wallerstein and Niall Ferguson explain how a colonial system is based on dependency and exploitation of colonial resources. Robert Gilpin testifies how a successful state economy should not be based on resource exploitation, and therefore subject to shifting commodity prices, but be an entity driven by the interests of the state, and as T. E. Gregory states, be reconciled with the welfare of the citizens.

Many believe that foreign aid is in the best interests of emerging African economies and governments. Dambisa Moyo, William Easterly and Paul Collier believe the lack of stable government institutions, poor domestic policy toward development and a misunderstanding about the continuing cycle of violence are all to blame for poor African growth over the last six decades. These misunderstandings about the strategic way forward for Africa from colonial to capitalist economies and liberal government systems creates a cycle of dependency which keeps developed nations forcing money onto a problem which cannot be resolved through money alone.

The structural nature of African failure to develop has been discussed and debated for as long as economic and government issues have plagued the region. Unfortunately most of the prescriptions for success in sub-Saharan Africa are too large and specific. As a result there is little room for state specific approaches to be utilized. Often the aid and growth plans distributed by developed states give little thought to actually fostering growth and sustainability of state institutions and economies. In order for sub-Saharan Africa to successfully emerge from colonial economic systems and find a sustainable and stable place in the global economy the agriculture industry needs to establish the ability to feed the state's population, government institutions need to be grown and education opportunities need to be improved. Only then will Africa be able to begin the process of transition from colonial possession to stable world state.

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## Colonial Systems

### *Economic Structure of Colonial Systems*

Built by governments and companies to extract resources and capital, European empires of the eighteenth and nineteenth centuries were economic machines moving profits and materials back to the imperial center, creating increased wealth, and therefore economic power for the empire. This extraction of resources and capital occurred first because of a need to perpetuate European conflict. Wars cost money, and European monarchs required new flows of capital to continue ongoing territorial and dynastic conflicts on the continent. At some point, these conflicts spilled over to the growing empires themselves. The Seven Years' War in Europe was a conflict not so much over European territory or perceived continental power, but about world colonial systems, and therefore European economies which affected those empires ability to perpetuate conflicts.

Colonial expansion by European powers was a purely economic exercise. From a slave trade which fueled economic development in the western hemisphere, to diamond and oil extraction in the nineteenth and twentieth centuries, Africa has been part of a colonial system with the sole purpose of resource exploitation and the strengthening of someone else's economy. David Livingstone, known for his missionary work in Africa and throughout the British Empire, championed not only Christianity for Africa but also commercial development, "by encouraging the native propensity for trade, the advantages that might be derived in a commercial point of view are incalculable" (as cited in Ferguson, 2002, p.129). Through economic development of colonies, the imperial government was enriching itself, usually at the expense of the colony.

The results of colonial economic systems are described by Immanuel Wallerstein (1974) as the world capitalist system. This economic development is designed to benefit a core group of wealthy, industrialized states at the expense of resource producing states or, in this case, colonies. Wallerstein's idea of a core, semi-periphery and periphery working in a single world system "with a single division of labor and multiple cultural systems" (1974, p.390) is an excellent example of how the colonial system worked in Africa. The sub-Saharan economies are based on extraction and exportation of resources destined for other areas. Wallerstein's world system, like colonial models, is stagnant in that it does not allow for development and movement from periphery to core status. In fact the goal of colonial systems is an incredibly slow development (if any at all) of the colony in order to extract as much as possible over a long a period of time as possible.

The development of colonies is not an altruistic endeavor for the benefit of the colony, but the development imperial ability to extract resources from the colony. During colonial development there is little infrastructure growth which is not tied to the maximization of profits for the imperial government. This can be seen in the development of transportation networks and industry in colonial possessions. While agriculture may be developed to a certain extent, its maximum ability to grow is determined by the subsistence necessary for of resource extraction. That is, the growth of agricultural industries in colonies is in order to support the more profitable resource extraction rather than to develop a food supply designed for population growth and sustainment. Transportation networks are developed in the same way. Once resources are discovered the goal is to move those resources where they will profit the empire most. As a result most transportation networks in emerging nations are designed almost as an outward conveyor because the movement of resources away from the colony or periphery toward the imperial center or core was paramount to profitability.

There is a belief that the geography of Africa was also a detriment to the development of a stable economy during the colonial period, and that the lack of development because of geographic and climate factors continues presently. Daron Acemoglu sees the lack of institutional development in sub-Saharan Africa as a result of geographic factors. Citing the disparity in per capita income between sub-Saharan Africa and the United States, Acemoglu feels that Europeans settled in North America not only for economic gain, but because the climate was hospitable for settlement, where African climate did not suit European tastes, it was left mostly for economic exploitation. Acemoglu argues "Europeans set up exclusively extractive institutions, exemplified by the Belgian colonization of the Congo, slave plantations in the Caribbean, and forced labor systems in the mines of Central America" because these areas were not as suited to settlement as the societies which often improved on European institutions in places like

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Australia, New Zealand and North America (2003, p.28).

This lack of institutional creation based on geography is also due to a lack of time and funds. North American, Indian and Oceania colonies were under European control for a significantly longer amount of time than their African counterparts. The partition of Africa beginning in the late nineteenth century would “within twenty short years” transform “ten thousand African tribal kingdoms into just forty states” (Ferguson, 2002, p.187) and create a culture of resource exploitation for the purposes of imperial strengthening unparalleled in global history. The result was a lack of investment in Africa, especially on the part of the British, who controlled roughly one third of the continent but only had thirteen percent of foreign investment devoted to the entire continent “with hardly anything invested in the new African acquisitions of the Scramble” (Ferguson, 2002, 203). The lack of investment in Africa was a problem which would have serious consequences for the region when colonial independence was gained just over half a century after its partition by European powers.

## *Perpetuation of Colonial Systems through Aid*

The colonial system is currently perpetuated by foreign aid from developed and industrialized nations. In order for African states to be successfully integrated into the world economy, the developed states of the world need to rethink the best way to transition African states from foreign dependency of the colonial system, to economic independence and stability as a member of the global economic community. According to Fareed Zakaria (2002) “there is no simple answer to why certain societies succeed at certain times” (p.39). The ultimate goal is to give sub-Saharan Africa a better chance of success than previously offered. The following section will begin to outline what has not worked for African development and frame future strategies which may lead to successful transition from a colonial system to global economic success for Africa.

Since the beginning of the era of African independence roughly sixty years ago, over one trillion dollars have been transferred from developed industrialized states to Africa. According to Dambisa Moyo (2009) this massive capital transfer has not made Africa any better off, or more developed than it was when the colonial system ceased existing politically (p. xix). One reason for this is because the money that Africa has received has been used largely to perpetuate the colonial economic system. Economic independence takes much longer to take root than the relatively speedy process of political independence, in the case of sub-Saharan Africa; the economic independence is lagging six decades behind.

Poverty is a major reason Africa has not been able to achieve economic success over the last half century. Like many problems in Africa, this is cyclic; people are poor because the economy is poor, and the economy is poor because the people are poor. Sub-Saharan Africa has some fifty percent of the world's poor, and Africa's real per capita income today is lower than in the 1970s (Moyo, 2009, p.5). The altruistic solution from developed has been to give incredible amounts of foreign aid to African states. These influxes of capital have been targeted at a variety of different sectors including disease prevention, education improvement as well as financial and government institutions. . Unfortunately, “a World Bank study found that as much as eighty-five percent of aid flows were used for purposes other than that for which they were initially intended” (Moyo, 2009, p.39). Corruption therefore becomes another major reason for continued African poverty.

Corruption, like poverty, is cyclic as well as economic in structure. Paul Collier (2003) asserts that civil wars in sub-Saharan Africa are perpetuated by economic forces as opposed to ethnic ones; this belief highlights the cyclic and economic nature of African corruption and demonstrates the difficulty faced by post-colonial states. Because ruling governments control the economics of state; those in power shift economic gains, capital inflows (including aid) and weapons to the people and groups which will best support their cause and help them to retain power. “If there is one picture of African statesman, it is one of rank corruption on a stupendous scale” (Moyo, 2009, p.48). When developed states continue to funnel aid into the corrupt governments of Africa, the leaders have little incentive to improve the economic situation of the state beyond being eligible for the next round of aid. “Kings and bureaucrats wanted to stay in power and increase their personal gain constantly” (Wallerstein, 1974, p.402). Moyo points to an incredible pressure by international organizations like the IMF and World Bank to continue the cycle of lending to impoverished nations that it leads to a see-saw effect which will inevitably tip I favor of the corrupt government (2009,

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p. 55). In effect the corrupt government is being rewarded for its failure to bring the state out of colonial dependency with increased amounts of aid. If a government is able to control not only the aid which a state received, but the return on exports the state produces, there is little incentive for the government, whether representative of any ethnic group, to cede power or work toward an improved economic situation of the state as a whole.

The open ended nature of developmental aid also perpetuates an increasingly hopeless situation for many African states. Due to corruption and mismanagement of aid flows “the top quarter of aid recipients (heavily overlapping with Africa) received seventeen percent of their GDP in aid...yet also had near zero per capita growth” (Easterly, 2007, p.4). This means that money is continuously flowing into Africa with little to show save governments which are mismanaging or simply stealing the money. Moyo sees this perpetuation of the aid culture as the single most important aspect keeping African states from succeeding in economic development. While proponents of aid use the US Marshall Plan at the end of World War II as an example of how development aid can rebuild a state and establish a strong economic engine which enhances the global capitalist system, Moyo points to the fact that the Marshall Plan was much better designed and executed when compared to African developmental aid. “In contrast to the Marshall Plan’s short, sharp injection of cash; much of Africa has received aid continually for at least fifty years” (Moyo, 2009, p.37). Where the Marshall Plan had a stated and quantifiable goal of rebuilding European infrastructure and infusing capital into a broken economic system, African development aid is propping up a broken system, and perpetuating colonial habits of weak state government and economies based on a system that does not foster state growth.

Most colonial possessions, as previously discussed, were created with the purpose of settlement or resource extraction. Once the political independence of colonial states was granted, the economy of the former colonies was still structured on resource extraction. The underlying colonial economic system had been removed, but the standard execution of domestic economic action remained. Newly independent African colonies had domestic economies based on an economic system they were no longer a part of. The transition from colonial economic system to global capitalist system was something that few states were prepared for upon independence. Wallerstein (1974) sees this as the perpetuation of the world capitalist system. Even in independence, colonial states were still structured to offer cheap natural resources to the core states. Continuing in this system proved political independence these states had achieved was indeed very shallow. Why were these states simply unable to gain economic traction in a world system by continuing to sell resources to the highest bidder? In a capitalist system the demand of resources should work to the advantage of the supplier and allow the supplier to profit this cannot occur until the mercantilist policies of the colonial economic system have been removed in favor of more liberal trade practices.

## Transitioning away from the Colonial System

### *Economic Nationalism through a strong Agricultural Industry*

Belief that a state can quickly transition an economy to one which is not only capitalist, but stable and successful, is slightly absurd. There were decades of development for the British, United States and Chinese economies before they became the juggernauts studied today for developmental answers. It could in fact be argued that the Chinese economy has not yet reached its prime, or that the US economy is not in total decline, but merely a temporary downturn. The economies of these states developed through a progression from agrarian to industrial and with nationalist policies to aid in their growth. They did not simply become a purely capitalist economy overnight, nor are they such today. Therefore it is very difficult to assert that sub-Saharan African states should suddenly adopt purely liberal capitalist institutions and economic policies as a means to lifting themselves from the colonial economic system.

Developing a national economy which benefits the state and eventually provides a foundation for a capitalist economy capable of stability, success and belonging in the global system should have its roots in an agricultural economy. W. Arthur Lewis believes that “periphery colonies have precipitated their own economic downfall by trying to industrialize before establishing a proper agricultural base” (as cited in Kaufman, Parker, Howell & Doty, 2004, p.549). When African states gained independence in the latter half of the twentieth century it was the prevailing belief that in order to be economically successful they had to immediately create industry which would be able to compete in the global system. Unfortunately this did not follow the successful model of creating an economy capable of

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sustaining the population of the state first.

In order for African states to emulate a sustainable economic model they first need to be able to provide food for their citizens. Jonathan Schlefer (1998) asserts that Adam Smith “held that a nation’s wealth lies first in agriculture, to supply its people with ample food; second in domestic industry” (p.18). The simplest way to accomplish this is to begin the transition from colonial to global economic system by creating a form of economic nationalism designed to improve the agricultural ability of the state. T.E. Gregory (1931) defines economic nationalism as “the duty of the state to foster the economic power of the *state* rather than the economic *welfare* of the individuals” therefore “policies which further the economic power of the state are also policies which further the economic welfare of the individuals” (p.289) because in democratic societies reconciling the welfare of the individual with the welfare of the state leads to economic success, they are one in the same. M.B. Gleave and W.B. Morgan (2001) compare African economies in order to find success and a pattern for stability. One of their findings is particularly telling about the need for a better agricultural industry in developing African states, “In six economies agriculture contributed more than fifty percent of GDP, whilst in another five it made the single largest contribution” overall, the mean percentage of agriculture in 1965 for 27 national economies was 39.2% (p.145). In comparison, according to the CIA World Fact Book agriculture in United States makes up 1.2% of GDP. The ability of the US to move itself from subsistence agriculture in the middle to late nineteenth century opened the door for industrial and service growth translated into a strong and stable economy. If African states can manage to feed their citizens while using a smaller portion of GDP to do so, farmers will see increased profits and opportunities for those not engaged in subsistence farming will create more profitability in other sectors of the economy.

## *Developing Natural Resources for State Gain*

As the agricultural base of the state economy is being developed, geographic resources which result in the second tier of the economy, trade and manufacturing should be developed, and improved upon. In most post-colonial cases the extraction of natural resources is more developed than the agriculture of the state. This is a residual effect of the colonial system’s reliance on the resource movement back to the imperial center. Robert Gilpin believes that the “geographic location of a society and the physical requirements of the economy are of great importance in determining the national interest” (2001, p.18). Based on the wide range of available natural resources in the sub-Saharan region, it is therefore understandable that the national interest of one state would be significantly different from others. Understanding the availability of natural resources is a key to understanding what kinds of industries need to be established, or emphasized, once an agricultural base has been established.

Paul Collier states “Africa is land-abundant yet low-income, natural resource endowments loom much larger in its fortunes than for any other region except the Middle East” (2006, p.1). In *Africa: Geography and Growth* he breaks down four categories of African state: resource rich coastal, resource scarce coastal, resource rich landlocked and resource scarce landlocked. Resource rich states pose the greatest problems for Africa because of the abundance of resources in these states, the ability for a ruler or government to hold power is greatly increased. Especially if that government is democratic in nature, Collier (2006) in fact points to democratic governments which are easily corruptible because of resource abundance (p.3). Increasing and stabilizing resource and commodity prices are in the interests of these states in order to create stability in the domestic economy. A state that can have a successful agricultural industry, coupled with a steady commodity trade is in a much more stable position than a state which has to rely simply on resource exports in order to create capital to purchase food for its citizens. Collier also point to resource scarce states in Africa as being part of an unusual problem that never developed elsewhere in the world the same way it did in Africa. “Outside Africa areas with these poor endowments seldom became independent countries: rather they became the hinterlands of countries that are overall more fortunately endowed” (2006, p.2). This problem with resource scarce states returns to the issue with colonial development in favor of the empire as opposed to the colony. Because there was no reason for the development of these resource scarce areas, they were greatly neglected and became dependent on outside sources for their continued existence. This culture is perpetuated contemporarily in development aid and manifested in a continuously ineffective central government and economy.

## **State Based Development**

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## *Institutional Growth for the benefit of the State*

The Washington Consensus was developed by John Williamson in 1989 to advise policy prescriptions which Williamson thought would not only create development in Latin American countries, but also held a consensus among Washington power brokers and economists (Williamson, 2000, p.251). The result of this paper was a coalescing of economists and development aid enthusiasts who felt that by using the Washington Consensus as a roadmap to development, countries anywhere could be brought from the colonial economic system into the global capitalist system with relative ease and success. This attempt at cookie cutter reforms and policy outlines did not help in development, and in fact continued to perpetuate the corruption and lack of development in sub-Saharan Africa because the institutions which would drive the Washington Consensus were not in place; therefore success was doomed from the beginning.

As opposed to the Washington Consensus, the following diagnosis and prescription is not a policy checklist to follow, but a tour guide of steps in a lengthy process which may in some cases lead to success. Dani Rodrik (2006) claimed rightly that the Washington Consensus was too wide in scope and had grown even wider over the seventeen years between 1989 and 2006. He highlights the original Washington Consensus and the “augmented” Consensus, which includes another 10 items as an example of how the concept of policy actions steps has grown out of control and become an encumbrance to lasting and successful reform, “what has become clearer to practitioners of the Washington Consensus over time is that the standard policy reforms did not produce lasting effects” (p.978) because they were too broad and offered little in the way of customization based on state needs. The reason for this was because underlying institutions were not effectively established to provide a foundation for Consensus action to be successful.

The lack of institutions, coupled with the inability of the Washington Consensus to be successful because of the boiler plate nature of the policy, highlights another cyclic problem with developing sub-Saharan Africa, that of being able to create a government capable of enacting and enforcing the reforms necessary to establish and foster economic growth. Williamson defends the consensus by stating, “most countries would have benefited by doing more of these reforms rather than fewer, and by doing them of their own volition, rather than because someone from Washington tried to tell them they needed to be done” (Williamson, 2004, p.12) .

The answer to the ineffectiveness of the Washington Consensus is to make fewer points, not more. Rodrik (2006) believes that by giving emerging governments more freedom in policy formulation, it will give the state a better chance at success, “there is a tendency to exaggerate the advantages of rules over discretion in government behavior” (p.976) if the government of the developing state was allowed to create policy based on their national interest, instead of policy points developed on another continent in the vacuum of an already stable economy and government, the resulting nationalist approach would be suitably tailored to the state in question, and would therefore stand a greater chance of success.

Institutional growth in this scenario is key to successful establishment of stable government and economy. Protection of property rights, incentivizing farmers to produce food in quantity which will sustain the population as a whole and building of resource based manufacturing domestically are three steps which will lead to economic stability. These domestic initiatives, working parallel with the development educational opportunities will allow for a stable government capable of protecting citizens’ rights and creating the groundwork for stable, democratic growth in government.

Property rights and incentives for farmer production work hand in hand to create the economic base necessary for self-sufficiency as an independent state. Property is taxable, if a farmer owning land needs to pay taxes the easiest way to do that is to create and sell product. In order to pay taxes and earn enough money to support the business and his family a farmer almost immediately needs to move beyond subsistence farming into a more productive business driven model. It is unfortunate that some farmers will not be able to make this transition, but these men and their families should not starve if others are successful at creating the agricultural base which can supply the entire state with food. A noted problem with this approach is the ability of farmers and the government to be less sensitive to price shifts. Roger Thurow (2010) highlights the 2003 famine in Ethiopia and the global food crisis of 2008 as

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examples of situations where African farmers were destroyed economically. He also highlights that during the 2003 famine the US government spent “more than \$500 million on food aid... but spent less than \$5 million on agricultural development” (p.4). This broken system is what keeps African nations dependent on a colonial system. The developed state giving millions in food to a state which cannot provide for itself, while spending a fraction of that money on attempting to develop an agricultural base capable of supporting the domestic population, is not a sustainable model. Eventually the developed states will run out of the money they can spend on others, when this happens, the developing states will still not be producing food on their own.

Investment in farming practices will create profits for farmers, streamlining production will allow for higher profits, and the ability to create a larger labor force. This is possible because there will not be as large a need for labor in the agriculture sector. This new and mostly unemployed workforce can be shifted from agriculture to other industries based on state interests. The ideal situation is that these workers will be making more than they would have farming, and therefore have not only more taxable income, but the ability to begin purchasing property. “Given that property rights depend on the state, dramatic transformations in property often coincide with big political changes” (Carruthers & Arivoch, 2004, p. 33), such changes are symbiotic with development of incentives for production farming and property rights. As the government is better able to empower its citizens, these political changes can come about in a much more peaceful manner than if the government peruses the alternative; controlling aid flows and food supplies in order to control the population. This kind of action leads only to civil unrest, poor economic conditions, increased famine and state de-stability. The result is a perpetuation of the colonial system and a failed state. Conversely, if the state is able to create an environment by which farmers are productive and profitable, the citizens of the state are then free to find better paying jobs and continue a cycle of increased profitability through development of other industries outside of agriculture. This will also drop the percentage of agriculture as a portion of GDP, and increase the ability of the state to function outside of the colonial system.

## *Effective Government is the Key*

In order for sub-Saharan Africa to truly break free of a colonial economic system, the previously discussed social institutions need to be in place: property rights, agriculture incentives to make the state self-sufficient in food production, and development of resource based manufacturing in order to move the percentage of GDP in the direction of manufacturing and away from subsistence farming. These steps are difficult, time consuming and full of potential snags along the way. Making Africa an economically viable member of the global capitalist system is a lengthy process, these steps are just part of that process. None of the above mentioned reforms can take place without strong government institutions, these are perhaps more important than the social and cultural change which brings economic reforms to maturity. Governments need to work for the betterment of the state, and as T.E. Gregory stated, reconciling the betterment of the individual leads to a betterment of the state.

Democratic governments may not be the quickest and best answer to building strong state institutions. Easterly, Collier and Moyo all agree that quick democratization of African governments has only led to trouble in the past. The answer, as Moyo puts it, may be for a benevolent dictator who is interested in state success instead of personal gain (2009, p.42). Gurcharan Das (2006), like Moyo believes that democratic bureaucracy is a counterweight to efficient and quick economy growth. Speaking in the context of Indian economic growth, Das writes “Indian believe that their bureaucracy has become a prime obstacle to development” (p. 8) This sentiment is shared by Moyo, “the uncomfortable truth is that far from being a prerequisite for economic growth, democracy can hamper development as democratic regimes find it difficult to push through economically beneficial legislation” (2009, p.43). The need for democratic institutions for a successful capitalist economy is undeniable, examples of how well state-centric economies function in the global capitalist system are evidenced by the Soviet Union, Eastern Europe and African states which attempted state-planned or communist economies in the latter half of the twentieth century.

In order for democracy to succeed in Africa though, there has to be a certain level of institutional strength in other areas. Robert Kaplan points to the necessity of at least primary education for democratic institutions to be successful, “only in a society where most people can read, that has a sizeable middle class that pays taxes, and reasonable institutions manned by literate bureaucrats, where people do not have to worry about being killed or attacked by their neighbors—that enjoys basic order—will democracy unleash all that is best in a society.” (Kaplan, 2001, p.9)

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This statement brings into clear focus the economic reforms such as incentivizing farmers to feed the population and increase their profits, and judicial reforms such as property rights protection in order to defend the middle class taxpayers, needed in order for sub-Saharan states to be economically successful. Instead of rapid democratization of African states, governments in those states should be strong and state-centered for the time being, “we should think of democratic and autocratic systems of power as being *simultaneously* in play in many African countries” (Joseph, 2011, p.324). Strong states are destined to be better producers of democracy in the long run. Increased exposure to the rule of law through property rights reform and increased profit from agriculture and resource based trade and manufacturing will help the state to gain economic stability.

Strong economic growth in sub-Saharan African states will lead to a more peaceful landscape in the region as well. “Simply put, economic growth matters because opportunities for youth depend upon a robust economy” (Collier, 2003, p.41). Part of the current problem with African economics and civil unrest stems from the fact that the economy is so broken there doesn’t appear to be a way to fix it. Civil wars become a cyclic event, just like poverty, corruption and institutional impotence. “When popular upheavals occur, the pyramid is inverted” (Joseph, 2011, p. 328) the corrupt rulers are suddenly fighting for their political and often physical lives against poverty ridden and desperate rebels who simply wish for economic success. In order to end the cycle reform must come from rulers and governments willing to buck the trend and understand that political and economic stability, not personal wealth, is the best way to hold onto power in the long run. Moyo points to simple statistics to make the claim that once economic reform is instituted, and democratic institutions are in place, there is no greater substitute than democracy for stability, “A democracy can be expected to last an average of about 8.5 years in a country with a per capita income under \$1000 per annum, 16 years in one with income between \$1000 and \$2000, 33 years between \$2000 and \$4000 and 100 years between \$4000 and \$6000... Above \$6000, democracies are impregnable.” (Przeworski et al. as cited in Moyo, 2009, p.43)

The average per capita income of sub-Saharan Africa is currently \$1165 per year according to the World Bank. If African rulers wish to stay in power, economic empowerment of their citizens, not perpetuation of broken colonial systems are the answer for stability. Bring the economy around and institutional change in government will likely follow as education is improved and income increases for the citizens of the state.

The last piece of the institutional puzzle ties every one of the previous subjects together, education. With agriculture capable of sustaining a larger population with less direct labor, a growing percentage of the population will need to focus on other areas in order to make a living. By increasing primary and secondary education sub-Saharan states can begin to build an even stronger foundation for their economic future. Increased education opportunities can start as simple endeavors such as retraining laborers to work in resource based manufacturing, completion of primary education, or embarkation on secondary educational studies. Increased education will lead to innovations in the resource based industries, and help to build better government and social institutions. As Kaplan pointed out, an educated population is necessary for democracy to truly be effective. Increasing economic fortunes through agricultural and resource based industries will increase the desirability of the population to continue on a positive track, which will result eventually in the kind of impregnable democratic governments Przeworski cited. The work will be slow, but the amount of per capita income needed to truly stabilize sub-Saharan Africa and bring it into the global capitalist system is relatively small compared to the amounts already spent in failed attempts to prop up a broken system.

## Conclusion

The past sixty years have seen sub-Saharan Africa struggle to break out of a colonial economic system never designed to foster state growth. This system is based on resource extraction and creating imperial wealth. Once the African independence era began in earnest during the second half of the twentieth century, the newly independent states began to have problems adjusting to their new status outside the colonial economic system. Economic independence by nature takes longer to establish itself than political independence, in sub-Saharan Africa developed states deposited enormous amounts of aid into the region in hopes of speeding the process along. Foreign aid for over six decades cost roughly \$1 trillion and gave little evidence of economic improvement or sustainability. Poverty and corrupt governments continued to hold back the possibilities of economic stability in the region and perpetuated



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the colonial system.

Establishment of a strong agricultural industry, capable of providing food to a state's entire population is the first and most important step in economic stability for sub-Saharan Africa. Profitability in the agricultural industry will allow for taxable property and income which the state can use to increase revenues and invest in education for what will be an increasingly unemployed labor force as a move is made from subsistence agriculture being a large part of GDP to a more manageable amount which will enable other sectors of the economy to develop. Resource trade and manufacturing will also need to be grown in order to break from the colonial system. Developing states need to use their resources to their advantage and not perpetuate civil war and poverty through an adherence to colonial economics. Increasing resource based manufacturing once a stable agricultural base is established will greatly increase GDP and per capita income.

Government institutions will also need reformation. Stronger property rights will expose developing states to a better economic system and rule-of-law based culture. As taxable income increases educational improvements will allow for better innovations in existing industries and create new opportunities for growth. Educational development will also lead to government growth and stabilization. Economic stability will allow for democratic institutions to take hold, and remain in place across sub-Saharan Africa, allowing for stability to return to the region as a whole, increasing the likelihood of further economic gains.

The preceding are steps within the greater process of economic stability and governmental legitimacy for success in sub-Saharan Africa. These steps are not chronological, nor are they applicable in all situations. The difference between failure and success is difficult to see, as evidenced by six decades of failed attempts. Colonial systems must be outgrown in favor of global ones, and governments must work for the betterment of the state and its citizens, not for the simple hold on power and wealth which has permeated the region since independence began. Above all, this is a process, not a golden egg; therefore the changes will take time, eventually though. Economic stability and sustainability is within reach if the right combination of steps is taken.

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