

## **Nigeria: Kingsley Moghalu's Emerging Africa**

**BY FEMI ARIBISALA,**

**NIGERIA, OCTOBER 29, 2013 (The Vanguard)** -- The title of Kingsley Moghalu's new book, "Emerging Africa," is puzzling. Rather than being an affirmation of its title, Moghalu's book begs the question: "Is Africa really emerging?"

Moghalu is suitably skeptical of conventional wisdom. He rejects popular Western thinking in days of old which derided Africa as the Dark Continent; with the cover story of The Economist proclaiming it "The Hopeless Continent."

He is also emphatically cynical about the new tendency to celebrate Africa's resurgence prematurely, with the same London Economist seeking atonement for its previous impetuosity with a cover story now declaring Africa: "The Hopeful Continent."

Not so fast, cautions Moghalu; let us address certain fundamental questions first. "Is there real economic transformation going on in Africa, or is what we are seeing merely the façade of an Africa that has become a dumping ground for foreign goods and services?"

His answer provides ample food for thought: Africa's "lions" and "cheetahs" may be on the move, but Moghalu insists this will prove to be illusory if the prognosis is that they are to be armed with Blackberry and Android devices produced in Asia and North America.

### **World trade**

Moghalu sees beyond the fig-leaves. He does not deny the fact that sub-Saharan Africa currently enjoys remarkably more buoyant economic output than most other areas of the world. He even acknowledges that seven of the world's fastest growing economies are African. Nevertheless, he insists, the bottom-line remains that Africa accounts for a measly 2 percent of

world trade and the combined GDP of its 54 countries is only equal to that of Chicago, USA.

So when Moghalu asks if we are nearing the end of poverty and under-development in Africa, the answer is inevitably: "Not yet!" He laments the fact that the fundamental questions of why-is-the-world-the-way-it-is, who-are-we-in-it, where-are-we-going, and how-do-we-get-there are yet to be addressed and answered in Africa. This is what his ambitious book sets out to provide. Its success or failure rests on the extent to which Moghalu brings any degree of clarity to these burning issues.

Kingsley Moghalu is first and foremost a teacher. He writes as a teacher. Although his book is essentially policy prescriptive, it nevertheless targets the young and upcoming African to whom the future belongs. Moghalu's Africa is quintessentially African.

It is not borrowed. It is not a copycat. It is not stolen. It is not reliant on European blueprints or leftovers. It is endogenously African. Here is a man who obviously feels no inferiority complex to westerners. I believe he has competed with them one-on-one and has bested them. Therefore, he negotiates an Africa with a worldview of self-confidence and self-belief.

Moghalu's siren is an African version of Obama's "yes we can." Yes, we can transform our economies within a generation. Yes, we can do it without undue reliance on foreign aid. Yes we can create our own endogenous technology without relying on the pipe-dream of technology transfers. Yes we can renovate, innovate, and modernise by forming a nexus between politics and economics.

We can re-energise and mobilise ourselves through an A-team of constructive leadership. We can engage with the international community on our own African terms. We can move beyond reliance on natural resources and extractive industries to science and technology.

But first, there must be a paradigm shift in the African worldview. Moghalu's position is that Africa has not developed because Africans have not yet agreed to develop. Agreement to develop would create a paradigm shift in African thinking; a drastic review of Africa's place and role in the world, and where it needs to be.

This would then require the mobilisation of resources, not only economic, but also political, in order to achieve that end. Says Moghalu: "it is the channeling of group energy based on a unity of belief about origins and destinations that creates transformation."

Lofty words from a man who admits belief in the value of propaganda. He declares: "The fundamental proposition of this book is that the conscious propagation of ideas, values, intent, plans and knowledge is fundamental to the establishment and actualisation of worldviews; and economic transformation must be based on a worldview if it is to have depth, meaning and sustainability. Development is first a state of the mind, brought about on the basis of a view of the world and a people's place in it."

Moghalu maintains foreign aid is not a path out of poverty into development. Certainly, the volume of aid is grossly insufficient relative to need. But Moghalu goes further to argue that foreign aid actually militates against growth and development. Indeed, he maintains the chief instrument for the under-development of the continent is foreign aid. This is surely an exaggeration he fails to substantiate adequately.

He is right that decades and billions of development assistance has failed to produce significant development in recipient countries, but this does not mean Africa's underdevelopment must be laid at the doorstep of foreign aid. The fact that many aid-dependent countries are poorer today than they were decades ago does not mean they would not have been even poorer still without foreign aid.

However, Moghalu is right: aid is not a prerequisite for African development. He justifies this by reference to extra-African examples. Emergent China has not relied on foreign aid. Neither has India in recent times. But what really riles Moghalu is the master-servant relationship that the aid structure creates between Western donors and African recipients and its psychological impediments to self-reliance.

In the same vein, Moghalu is sceptical about the value of foreign investment in Africa. He insists there is no such thing as "transfer of technology." Nations and firms do not willingly transfer their technological advantages to others. For Moghalu, the real interest of foreign capital is not the recipient country's development, but profits and raw material extraction. It becomes important therefore to formulate investment policies that ensure that the economic and strategic interests of African countries are adequately served by foreign investment inflows.

## **Important question**

Moghalu raises a simple but fundamentally important question: who is responsible for Africa's future? His answer is without ambiguity: it must be Africa itself. His caution is that we must not be seduced by all the current talk in the West about globalisation. Yes, Africa is and remains an indelible part of the international community. But Moghalu insists we must negotiate our participation in that community on our own African terms.

For Moghalu, globalisation is easily colonialism in a modern garb. This neo-colonialism is infinitely more sophisticated and better disguised. The IMF gospel of structural adjustment and liberalisation simply led to the de-industrialisation of the continent by opening local manufacturers to disadvantaged competition with more sophisticated foreign goods. Premature trade liberalisation also denied poor African countries of income previously derived from tariffs.

In spite of all the song and dance made about globalisation, Moghalu says African countries need to realise that there is actually no "international community." While paying lip-service to globalisation, the countries in the international system continue to pursue their national interest with even greater single-mindedness. Africa must be no different.

Moghalu prescribes an endogenous growth model that graduates out of raw materials and the extractive industries into manufactured goods provided first for the protected local market and then the regional market. It is only from there that we can then launch out to engage the lip-synching globalisation world as an economic power in our own right through the exploitation of our comparative advantage.

In the words of Moghalu: "Africa's path from poverty to wealth goes through one main highway - African countries themselves and endogenous production for internal markets; value added manufacturing and the export of complex, differentiated products to regional markets."

## **Cautionary notes**

Seminal books like this one are written out of office. How Moghalu managed to pull this off is remarkable, even if "Emerging Africa" was edited from the agglomeration of different things he had written over the years. But I am reticent when policy-makers get busy with making policy prescriptions. Who then will implement the prescriptions and when?

In addition, a book about emerging Africa should not be too focused on Nigerian exemplification. Nigeria is not the only country in Africa, even if an important one. Moreover, a book about finding African solutions to African problems should provide critical audit of African institutions such as the African Union. The United Nations and Bretton Woods institutions that fell under severe criticism of Moghalu are already invalidated as institutional frameworks for Africa's development.

Conclusion: Someone once said in order to get the right answers; you have to ask the right questions. This is what Moghalu achieves in "Emerging Africa." Some of the questions he asks seem to point to his own personal frustrations and dilemma: "Why have African countries failed to prosper when several of them, like Nigeria, have numerous intellectuals and high-achieving professionals?"

### **High achieving professionals**

Undoubtedly, Moghalu himself is one of Nigeria's leading intellectuals and high-achieving professionals. Moreover, he is not a bystander. He is now engaged in the highest echelons of government as Nigeria's Deputy Governor of the Central Bank, no less. So what are we to expect now that intellectuals like Moghalu have decided to return to serve?

The danger here is that, wittingly or unwittingly, Moghalu might end up with some kind of self-indictment. But he seems up to the challenge. Inevitably, he dwells on the salutary changes that have taken place within the Nigerian financial system since Lamido Sanusi took over at the Central Bank.

But how far-reaching are those changes? Moreover, how long-lasting will they be? As can be expected, Moghalu protects his turf jealously. He says: "Nigeria needs to establish a culture of policy continuity in order to achieve sustainable economic transformation. Too many policy initiatives have short shelf lives."

Moghalu's book is a must-read for all those concerned about the pace and trajectory of Africa's economic transformation. It brings fresh new insights into the nature of the African economic quagmire and provides a beacon light at the end of the tunnel for Africa's resurgence.