Economic emergence is the new target for African countries, but how can it be achieved?

As African countries work towards the goal of achieving economic emergence, Daouda Sembene points out that the key challenge is developing a concrete action plan to shape reform.

While embracing the new Sustainable Development Goals last September in New York, a number of sub-Saharan African leaders were reminded of the painful reality that only their region failed to meet the Millennium Development Goal (MDG) of halving the proportion of people living in extreme poverty by 2015.[1]

As African leaders are increasingly shifting their focus now on achieving economic emergence, away from primarily reducing poverty, they may have to draw lessons from their experience with poverty reduction strategies (PRS) to make sure that the new emergence-inspired era will ultimately enjoy a better fate.

Many African leaders are now working towards their countries becoming emerging economies
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Assuredly, there is a strong sense that emergence plans embody clear indications about what policy and reform agendas need to be implemented. Most emergence strategies in sub-Saharan Africa describe clearly what the government intends to do.

Typically, these are underpinned by broadly similar pillars across the region, including the need to boost strong and inclusive growth, strengthen governance and the rule of law, create jobs, promote private sector development, deepen the financial sector, improve competitiveness, and diversify the economy.

However, while emergence strategies provide an answer to the “what to do” question, they generally miss the “how to do it” question, particularly when it comes to addressing political economy impediments to sustained reforms.

Many candidates for emergence usually fail to spell out in a clear and comprehensive manner specific action plans that can deliver their government’s vision. Besides their other policy documents rarely fill out this gap and when they do, they tend to remain silent about how to overcome existing political economy constraints to reforms.

Yet, this is one of the shortcomings of the PRS approach that must be addressed for emergence to become a reality. Indeed, it is well-known that political economy considerations, notably those related to rent-seeking activities, tend to impede reform implementation. For instance, the literature offers extensive evidence that in sub-Saharan Africa competitive clientelism undermines the quality of policymaking and blocks the conditions for economic transformation and better governance.[2]

While the literature may offer useful guidance, no learning experience could potentially be as effective and rewarding for policymakers as a policy dialogue with peers from countries that coped successfully with such challenges.

That is partly the reason why Senegalese officials, in close partnership with the IMF staff, adopted in the recent past a promising peer-to-peer learning initiative, with a view to implementing their Government's Plan for economic emergence. This involved crossing over the Atlantic and Pacific oceans, reaching out to peers to draw together lessons from our countries' respective reform experience.

The latest exercise took place in January 2016 when a delegation of Senegalese officials, accompanied by representatives from the academia, civil society, and the central bank headed to Washington to participate in a book workshop attended by peers from Mauritius, Morocco, and Seychelles, in addition to IMF and World Bank staff. The event provided participants with a platform for exchanging ideas and experience about advancing reform agendas in the face of political economic constraints.

It is expected that the workshop will also be the birthplace of an upcoming publication that will eventually provide Senegal and other countries in similar circumstances with additional insights about how best to shape their reform efforts.

Preliminary indications suggest that peer-learning activities are associated with significant payoffs. It has catalysed reform efforts, offered new insights about reform success, and produced new ways of dealing with old issues, notably related to the political economy of reforms and economic competitiveness.

Therefore, peer-learning bodes well for reform implementation in the country and must be pursued.

Daouda Sembene will be speaking at LSE on Thursday 17 March alongside Ali Mansoor and Salifou Issoufou at the event The Political Economy of Change: the Case of Senegal.

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The views expressed in this blog post are those of the author and do not necessarily reflect those of the Government of Senegal, Africa at LSE blog or the London School of

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[1] According to the MDGs Report released last year by the United Nations, all developing regions had met the target by 2011 except sub-Saharan Africa. Ultimately, the rate of extreme poverty in this region was only projected to be cut by just over a third, from 57 percent in 1990 to 41 percent in 2015.

[2] See Africa Power and Politics Programme et al. (April 2012).

References

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