Foreword and General Introduction

Volume 13 continues the discussion that took place in recent volumes of the African Development Perspectives Yearbook on ways to revitalise African economies. This is done by focussing on new growth and poverty alleviation strategies for sustainable African economic development in the era of globalisation. The dependence of the vast majority of African countries on raw materials exports, the natural resource curse, the limitations to diversify production and exports towards manufactured goods and services, and the poor prospects for escaping the primary commodities dilemma in Africa were the issues dealt with in the Volumes 11 and 12 of the Yearbook.

In this Volume 13 the focus is on new growth and poverty alleviation strategies, and the central issues are highlighted in three units. In Volume 13 the issues of growth and poverty alleviation are considered as two sides of the development process in Africa. Africa has - after decades of economic stagnation - experienced some acceleration of growth in recent years, but growth is neither sustainable nor equitable in most of Africa. Therefore the discussions on pro-poor growth, on shared growth, and on equitable growth have intensified in recent years and centre mainly on African countries. The national, sub-regional and local results of this renewed growth process in Africa are quite different as there are the benefits of growth for the population in terms of income distribution, human development, and poverty alleviation. The growth process in Africa is therefore considered as neither stable nor balanced and equitable.

The growth process has however to be analysed in detail as growth still is the most powerful mechanism to alleviate poverty. This Volume 13 is therefore analysing also the specifics of the African growth process as well as the outcomes of the growth process in terms of human development. However, we know that generalisations do not make sense without detailed comparative case studies, and therefore we review in this Volume cases from various regions of Africa. The cases of Cameroon, Mozambique and South Africa that are considered are of great interest as countries in various geographical regions and countries with quite different reform policies are covered. The discussion centres also on actions to be taken at local, sub-regional, national, regional and international levels to move to a more sustainable path of growth and development. Public and private sector strategies are discussed, as well as the factors that impede internally and externally the path towards a more sustainable growth. National, regional and international policies that affect growth, poverty, income distribution, and human development are analysed. The Millennium Development Goals (MDGs) are taken as the yardstick to measure the progress in Africa in the context of renewed growth. However, also the limits of the MDGs as a frame for assessing African development are analysed, and the MDGs are contrasted with the New Partnership for Africa's Development (NEPAD) and the Poverty Reduction Strategy Papers (PRSPs).

Main orientation for all the contributions in this Volume is to reveal the international measures and the extent of policy and institutional changes that are needed in the coming years to reach sustainable growth and effective poverty alleviation in African countries. The contributions highlight cases of new growth and poverty alleviation strategies for African countries that may lead to lessons to be learned by other countries. Most important is the analysis of the African growth processes - by growth factors, by technological accumulation and capability, by the development of productive capacities, and how these processes can be shaped to benefit also the poor producers and the households in the rural, remote and neglected areas. Also of great importance in Volume 13 is the analysis of the PRSPs.

The case of South Africa is considered in great detail - highlighting the regional differences, the key factors, the forms of poverty, the strategies and policies. Volume 13 of the African Development Perspectives Yearbook is therefore focusing on comparative analyses of African growth processes, and on international and regional dimensions of the new growth and poverty alleviation strategies. In the (forthcoming) Volume 14 of the African Development Perspectives Yearbook institutional issues in the context of new growth and poverty alleviation strategies are covered, and local growth, employment and poverty alleviation strategies are emphasised. New growth and poverty alleviation policies for Africa are in these two complementary Volumes 13 and 14 of the African Development Perspectives Yearbook studied by cases, functions, factors, forms, institutions, policies and strategies, and with regard to all relevant levels and dimensions of action.

To study all the relevant aspects in detail, the Research Group on African Development Perspectives in Bremen has invited by the way of an International Call for Papers leading African and international researchers, devel-

xxviii

opment practitioners, experts from international research centres and international organisations, and also representatives from nongovernmental organisations and from the donor community to contribute to this Volume of the Yearbook. The response to this Call for Papers was great, and the Workshop in Bremen to discuss the first drafts was important. The then accepted and invited contributors have produced very important analyses, case studies and reviews of the state of the debate. More than this, guidelines for action are derived from the thematic analyses, the comparative studies, and from the country cases.

This Volume of the *African Development Perspectives Yearbook* is a joint effort by the editors and by so many contributors who have presented analytical essays, country studies, and informative reports on the situation and on policy changes that are needed for Africa. The various issues are considered in this Volume by referring to important policy areas and to processes of policy formation, but also by referring to all relevant action levels, such as decisions-making at international levels, at the level of regional communities and national economies, and at the level of sub-regional entities, local communities, and civil society and social groups. This is followed by deducing guidelines for future action so as to improve the growth and poverty alleviation strategies for Africa. All this will help to understand better the African development perspectives.

Volume 13 of the Yearbook comprises three Units.

Unit 1 of Volume 13 with the theme New Growth and Poverty Alleviationstrategies for Africa - How to reach the Millennium Development Goals? presents papers that aim to answer four major questions: What are the results of the new growth and poverty alleviation strategies pursued in Africa when country cases are reviewed? What policy guidelines follow from the analysis of African growth processes, and to what extent is it possible to learn from East Asian growth paths? What do we know about policy formation on new growth and poverty alleviation strategies in Africa in the context of the new initiatives such as the MDGs, the NEPAD, and the PRSPs? What is the role of external economic powers in this process, such as the EU, and to what extent can their policies be made development-friendly for Africa?

These four questions are answered - by showing the potentials for further reforms in African countries, by informing about the missing links in the African growth-poverty-income distribution nexus, by analysing the complex African policy formation process in the context of the MDGs, the NEPAD, and the PRSPs, and by discussing the strong role of external economic powers as impacting on own growth and poverty alleviation programmes in Africa. It is concluded from the country cases that - beside of needed further economic policy reforms - the persistent neglect of agriculture as a very important sector for growth and poverty alleviation has ultimately to be overcome, and that sub-regional imbalances have to be attacked more vigorously. It is also concluded that technology development, research and development, infrastructure development, and improvements of the investment climate and the business environment are the factors that have to be emphasised much more in shaping the processes of African growth and redistribution in the right direction. Unit 1 also brings out the most important role for new growth and poverty alleviation strategies of providing more coherence and more coordination between the instruments used for African development, such as the MDGs, the NEPAD and the PRSPs. Unit 1 further makes clear that the form, the quality and the outcome of the negotiations between Africa and the major external economic powers, such as EU, USA, Japan, and China, will be decisive for realising a sustainable progress in growth and equity in Africa.

Unit 2 of Volume 13 of the African Development Perspectives Yearbook with the theme *New Growth and Poverty Alleviation Strategies - The Case of South Africa* explores in detail the case of South Africa. This is done by studying the national and the sub-regional level, but also the role of South Africa in the Southern African region. Important questions are raised in this Unit 2: What is the record of the national and the sub-regional growth and poverty alleviation policies? What can be done to generate productive employment, and to what extent is growth leading to more jobs in all sub-regions of South Africa? Is South Africa on the way to a more balanced economic policy, reconciling macro-stability and a move towards a welfare state? Does South Africa succeed at the level of local poverty alleviation programmes and with its empowerment programmes for Black people? How important is the cross-border collaboration for pro-poor development in South Africa?

It comes out in Unit 2 that the new growth and poverty alleviation strategies have to focus much more in the future on regional imbalances because of the still huge discrepancies that exist between the economic sub-regions in South Africa. New growth and poverty alleviation policies have to focus much more on new employment generation strategies because of the persistently high level of unemployment in the country and the fact that the emphasis on growth is obviously not enough for sustainable employment generation. The new growth and poverty alleviation strategies have to care much more for introducing social safety nets and for planning deliberately the move towards a welfare state in South Africa so as to lay the foundations for more stability in the country by stable growth and by a redistribution of income and property.

The changes in South Africa's economic policy over time since the end of the apartheid reveal that there was a continuous need to adjust the frame of these policies and to adopt appropriate changes in the economic policy institutions - because of the need to react by adapted policies to the serious social problems in the country. Education is an important component of the new growth and poverty alleviation strategies, and new initiatives for reforming the education sector and the labour market are therefore needed, are proposed, and are partly underway in South Africa. It is becoming quite clear from household poverty studies that much more is needed in South Africa than designing and implementing a general strategy - specific interventions at the local level are also needed and have to be part of the overall new growth and poverty alleviation strategies that are proposed for the country. A strengthening and a reforming of the Black Economic Empowerment Programmes is underway in South Africa as part of the new growth and poverty alleviation, but an evaluation of the record of these programmes has vet to be accomplished. Important for pro-poor development strategies in the South African region are carefully selected and designed cross-border collaboration initiatives, such as in the area of pro-poor tourism.

Unit 3 is on Profiles, News and Information and it presents reports on institutions/research organisations and on researches/research groups that deal with the issues of relevance for the theme of this Volume 13 of the African Development Perspectives Yearbook. It is interesting to see how many research institutes, research associations, regional and international organisations, and development policy institutions add to the knowledge in this field by presenting new research reports, seminar reports and discussion papers on the various issues in the context of New Growth and Poverty Alleviation Strategies for Africa. In Unit 3 we can see interesting information on new research initiatives for Africa, new research projects, and new networks that are formed throughout of Africa. Reports are presented with a special focus on new strategies, on interesting country cases, and on comparative studies of structures and trends in African growth and poverty alleviation. Reports are coming from institutions and research groups that are part of the global network that was created since 1989 by the Research Group on African Development Perspectives in Bremen. These reports, studies and documents from African institutions are of great importance because they proof the collective will and the huge effort of the African people to change their situation by determined action. It is also part of the editorial policy of the *African Development Perspectives Yearbook* to broaden and to deepen its research network and to make most important documents, reports and researches from the continent available to the public, giving authentic proof of African intentions, plans and objectives for the development of the African continent. However, also research reports from other regions are welcomed. In this Unit 3 of the volume there is a strong focus on agriculture as a key sector for growth and poverty alleviation in Africa. Research reports from the OECD Development Centre and from IWIM staff highlight the issues of pro-poor agricultural development policies. Also new approaches towards a pro-poor social policy and towards pro-poor financial and fiscal policies are presented.

The theme of the current *Volume 13* of the *African Development Perspectives Yearbook* is of great importance for Africa's future, as it is now more and more pressing to make growth in Africa sustainable and to allow for a reduction of all forms of poverty in Africa so that the Millennium Development Goals can be achieved. Such a performance will also allow to realise other goals – like the diversification and the stabilisation of the economy, and the improvement of economic management and governance in these countries. In order to realise these objectives, the combined efforts of African governments, of the civil society and the private sector enterprises, of regional African and international organisations, of international donor agencies, and of the large international community are necessary.

Also the complementary Volume 14 of the African Development Perspectives Yearbook with the title "New Growth and Poverty Alleviation Strategies for Africa – Institutional and Local Perspectives" informs about the trends and highlights the knowledge we have on how to revitalise and ultimately to transform African economies so that sustainable growth and poverty reduction can be achieved. Volumes 13 and 14 address firstly, successful African cases of growth and poverty reduction; secondly, strategies and policies to make new growth and poverty reduction feasible and sustainable in Africa; and thirdly, the need for coordinating much better national and regional African initiatives and action plans and international strategies and policies to promote growth and poverty reduction in Africa.

With the then 14 volumes, the *African Development Perspectives Year*book has become an important source on Africa, and we look back to a highly successful working period of the *Research Group on African Devel*-

xxxii

Foreword and General Introduction

opment Perspectives in Bremen. In the former 12 volumes of the African Development Perspectives Yearbook, the editing Research Group on African Development Perspectives has discussed such important themes as the human dimensions of structural adjustment; the role of agriculture for industrialisation; the role of new energy policies; the importance of active labour and employment policies; the role of regional labour and employment strategies; the issue of good governance for African development; economic and social empowerment strategies and policies; the options and problems of Africa's reintegration into the world economy; the issue of African entrepreneurship and private sector development; the major problem of how private and public sectors can be successfully balanced in African countries; the strategies and policies to escape the primary commodities dilemma in Africa; and the most central issues of primary commodity dependence, resource curse and diversification efforts in African countries.

With these volumes of the *African Development Perspectives Yearbook* that were presented over the years to an international readership we have covered central issues of African development and we have also formulated and propagated innovative strategies how to cope with these relevant problems. This may help to shape in future-oriented way the fabric of the economies and societies in Africa, by presenting timely analyses and projections that are telling us what has to be achieved and what can be achieved during the next decades.

In future we will continue in our work to focus on the necessary changes of conditions in economies and societies in Africa, and as well on the new role of Africa in the world economy and society, especially in the context of the global informational and technological revolution. Thus, the views and actions of the Research Group on African Development Perspectives in Bremen are focussed on a future vision for Africa that is based on a fair global order, on principles of sound political and economic governance, and on an African economy and society that is reflecting the demands for and the opportunities of the globally emerging knowledge society.

For the Research Group on African Development Perspectives:

Karl Wohlmuth

Professor for Comparative Economic Systems, and Co-ordinating Editor of the African Development Perspectives Yearbook University of Bremen, Faculty of Economics, IWIM, Bremen, Germany

Bremen, May 2008