

Africa's Failed Economic Development Trajectory: A Critique

Franklin Obeng-Odoom

School of the Built Environment, University of Technology, Sydney, P.O.Box 123, Sydney, Australia

Abstract

Crisis narratives and populist representations of the woes of Africa abound. Civil society organisations do not always help, as their activities continue to sustain a particularly negative image of Africa. 'Revisionists' have tried to counter this state of affairs by providing 'success stories' about Africa. Thus, the literature on the state of affairs in Africa is reduced to a bifurcation of 'failure' and 'success' without resolving the fundamental question of whether there is something wrong with economic development in Africa. This paper tries to move that state of knowledge forward by providing a systematic analysis of what development analysts and practitioners mean by 'economic development', while exploring how adequate are the indices for measuring the idea. Framing the question in those terms reveals a complex ensemble of findings among which are the contested nature of economic development, its indicators, and predictions – findings which have substantial implications for judging whether there is something wrong with economic development in Africa.

Keywords: Africa, Socio-economic Indicators, Progress, Development

1. Introduction

Is life in Africa getting better? Or, put in other words, is something wrong with economic development in Africa? This question has been asked time and again and time and again it has generated polarised responses. For example, *The Economist* (2000) has depicted Africa as a 'hopeless continent' where life is getting worse, while the African Development Bank (2011) has suggested that life is good in Africa, and is even getting better. Indeed, the recent work of Greg Mills and Jeffrey Herbst, *Africa's Third Liberation* (2012), depicts the enormous

economic successes, following two earlier liberations – independence from colonisers and liberation from dictators.

The approach of most existing studies (e.g., Alvarez *et al.*, 2011) is to do trends analysis of economic development in Africa using established traditional indices such as Gross Domestic Product (GDP), or employ crisis narratives based on prejudices of inherent African cultural primitivity or neopatrimonialism (for a critique, see Njoh and Ayuk-Etang, 2012). Efforts by leading African economists such as Augustine Fosu have been rewarding in ‘getting the numbers right’ and showing that Africa’s GDP performance is not that bad after all (Fosu, 2010). However, these prior efforts are incomplete without going beyond and taking both a synchronic and diachronic view of the received global wisdom of what development means, how it is measured, and how it is lived, why development is pursued, why it is measured in particular ways, and why development has evolved to what it is today – matters which lie at the heart of the question, whether there is something wrong with economic development in Africa (Bierschenk and Spies, 2010).

Therefore, this article tries to do a systematic analysis of the concept of economic development *per se* and the adequacy of how it is usually measured. Framing the question in those terms reveals a complex ensemble of dynamics among which is the contested nature of economic development, its indicators, and predictions – features which have substantial implications for judging whether life is getting better in Africa. An alternative measure that draws directly on how people feel in Africa, however, shows that life in Africa is mostly good and most of the people in Africa lead a happy and purposeful life.

The article is divided into three sections, the first of which examines what development analysts mean by ‘economic development’, demonstrates the fluidity of the concept, and exposes some of the weaknesses in the proxies used to measure it. The second section explores the desirability and implications of using an important alternative measure of economic development, while the final section addresses the research question about whether there is something wrong with economic development in Africa.

2. Economic Development: 1887 - 2000

‘Development’ is a concept that is in vogue. It has a global acceptance among academics, policy makers, sports people, and entertainers. Part of the reason for the popularity of the notion is its association with early philosophers (*e.g.*, Aristotle) and religious leaders (*e.g.*, St. Augustine) who commanded considerable global respect, but also because it is synonymous with the biological metaphor of improving, progressing, or growing and also partly because of the backing that the concept gets from powerful political and economic institutions which claim that ‘development’ is good for everybody (Rist, 2006). It might even be argued that ‘development’ is an integral part of the natural process for humanity – a process of advancement or becoming better, continuously if possible. Development, then, can be said to be in vogue because it is the usual way human beings think about things. Exploring whether there is something nebulous about economic development in Africa is, however, a more circuitous matter. It requires a conceptual analysis set within a historical frame which entails a reflection on the evolution of the concept of ‘economic development’.

The first time that notion appeared in the English language was in the English translation of Marx’ *Capital* which is widely believed to have borrowed the idea from Hegel who had previously got it from Aristotle (Arndt, 1981, pp.458-459). Since then, there was the idea of ‘colonial economic development’ which, unlike the Marxist notion, meant the exploitation of natural resources in the colonies. This duality of meaning – the development of societies and the exploitation of natural resources – characterised debates about economic development for a long time, until the concept next became popular in the post war period when President Truman of the United States alluded to it (Rist, 2006). From then to now, the meaning of the concept has been fluid, changing from one epoch to another.

Since 1945, economic development has always been regarded as ‘a process of change’. However, from the beginning, that change referred only to activities by governments to transform the nature of, for example, land tenure. After the Second World War (WW2), however, economic development began to

be seen as a process of change that *societies*, as a whole, underwent. Apart from a change in the scope of economic development, the political status of the concept went through three other changes after the war. First, there was a general acceptance that some countries had not experienced economic development. Second, it was felt that those countries needed to experience economic development and, third, there was a tendency to believe that the situation in the latter countries could be helped or worsened by the activities of other countries that had experienced economic development (Arndt, 1989, p.9). While economic development was considered a process of change that every society had to go through, the *ends* of that change underwent considerable transformation.

In the early days, economic development meant modernisation, industrialisation, and even Westernisation (Arndt, 1989, p.2). The end of WW2 and, the attainment of independence of the former colonies (which began to be labelled as ‘Third World’¹) raised *economic growth* to the status of globally accepted objective of economic development. Polish economist Paul Rosenstein-Rodan was a pioneer in theorising about how to expedite economic growth. As with Adam Smith, he favoured capital accumulation, especially industrialisation as the key objective of economic development. His theory of the ‘big push’ – the idea that poorer countries were stuck in a particular state of widespread unemployment and underemployment in the agrarian sector and required a massive capital injection in their economies to give them a ‘big push’ - became highly influential. Estonian economist Ragnar Nurske, who famously

1 This descriptor refers to countries (e.g., the nations of Africa, Asia, the Middle East, the Caribbean, and Latin America) other than those in the ‘first world’ (Western countries and Japan where industrialisation first took grounds and civil liberties were first formally upheld) and the ‘second world’ (the Soviet Union and former communist countries mainly in Eastern Europe) (Handelman, 2011, pp. 1-2). Development scholars and analysts differ in their opinion about the appropriateness of using ‘Third world’ as a descriptor. Some analysts prefer to use ‘developing nations’. Dependency theorists use the descriptor ‘undeveloped’ countries to explain a state of not being modern, while they use ‘underdeveloped countries’ to describe the countries that have suffered from colonialism (Frank, 1966). Critics of the Term, ‘developing countries’ argue that it connotes a ‘catching up’ idea or a feeling that the conditions in these countries are transient or at a certain stage and would change soon. Thus, the international development agencies such as the United Nations started to use the term ‘less developed countries’ (Handelman, 2011, pp. 1-2). Countries in Africa are, therefore, simultaneously referred to as less developed, Third World, or Developing. Descriptors such as ‘emerging market economies’, ‘transition economies’, ‘newly industrialized or industrializing countries’, and the ‘Global South’ are also sometimes used to describe countries in Africa.

said that '[countries] are poor because [they] are poor' – walked closely in Rosenstein-Rodan's steps, although recalibrating his thesis of economic development in terms of a vicious cycle which had to be broken (Bauer, 1971, pp. 32-33; Martinussen, 2005, pp. 56-57).

In both theories, capital formation was encouraged. There was an interest in increasing the investment rate to expand the stock of capital and, hence, to expand output. From this perspective, input-output analysis became popular and capital output ratios were calculated to determine how much was needed to raise economic growth by certain margins. Capital aid was frequently sought to make up for the non-existent capital stock in the Third World. Also, import substitution, industrialisation, and human capital formation (and with it, technical assistance, to make up for shortage of skills in the Third World) were encouraged (Arndt, 1989, pp.49-87).

Within this framework of growth, bitter debates and criticisms arose about the main drivers and processes. Indeed, in his book, *Dissent on Development*, Lord Peter Bauer criticised the work of Nurske arguing that it was inconsistent with empirical evidence. He argued that the currently rich countries were once poor but had escaped it, some poor countries had made great progress, and there was almost no 'external assistance' in the journey of the then poor in the process of becoming 'developed' (Bauer, 1971, pp. 33-34). Others such as Albert Hirschman pointed to different drivers of growth, importantly the need for the nurturing of entrepreneurial skills in the poorer countries (Martinussen, 2005, p. 59). To others such as W.W. Rostow (1954) and Sir Arthur Lewis (1954; 1979) an entire structural change was required for the Third World to reach where the so-called first world had reached.

Rostow drew mainly on the history of the 'developed countries' to argue that the Third World would have to go through five stages of growth, starting from the traditional society, through the preconditions for take-off, the take-off, the drive to maturity, the age of high mass-consumption, to the stage beyond consumption. Each of these had a different mix of what requirements were needed to attain growth (see Rostow, 1954). Sir Arthur Lewis, on his side, offered one of the most influential theories in development economics on private

sector development, employment and economic development. The seminal paper for which he was later awarded a Nobel prize looked at 'economic development with unlimited supplies of labor' in a process, which he famously called a 'dual economy model' (Lewis, 1954). Lewis argued that economically backward countries had two distinct characteristics, namely a bifocal economy - one, subsistence, the other capitalist - and unlimited labour. According to Lewis, in the process of economic development, a large subsistence sector (as in agriculture) loses 'surplus labour' to a relatively small capitalist sector of the economy. An expansion in profit for capitalists is, therefore, conducive to economic development because capitalists reinvest, what he called, the 'capitalist surplus', thereby driving capital accumulation and, in turn, drawing surplus labour from the subsistence sector of the economy into the modern sector (Lewis, 1954). However, although attention was given to various drivers of change, economic growth was typically the ends sought. That is, economic growth was seen as an end in itself, equivalent to economic development.

From 1965 onwards, economists realised that, although economic growth was accelerating in the Third World, sometimes even faster than in the First World, problems such as disease, illiteracy, inequality, and poor housing remained. In turn, the growth-centred view of economic development started to give way to concerns about broader 'social objectives' of economic development. In particular, there was an emphasis on employment creation, redistribution, providing basic needs of the poor and, in general, poverty reduction (Arndt, 1989, pp. 92-113). This emphasis represented the first real change in the objectives of economic development. Nevertheless, it cannot be claimed that aspiring for more 'social' ends of economic development was entirely new. Arndt (1989, pp. 89-92) points out that achieving social ends *was* one key aspiration when the United Nations was formed in 1945.

Nevertheless, it was in the 1960s that greater emphasis was given to broad social concerns of economic development. Economic development then became a process of change to free nations and peoples from multiple deprivations. Poverty alleviation or reduction was one key objective. However, Misturell and Heffernan's (2010) synchronic study of the concept of poverty reveals the

instability in its meaning within and across time, and across different institutions. In the same year, poverty could be defined as absence of basic needs, poor access to infrastructure, or both. Poverty could be defined politically, socially, economically, physically, metaphysically, or institutionally. These differences in definition were not trivial. They largely determined, constrained, or restrained what policy options were chosen. Yet, the instability in meaning, among others, entailing income-centric and individualistic measures and broader measures, persisted through the 1960s, the 1970s, to the early 80s when economic growth once again ascended the throne. That was when the Breton Woods institutions prescribed growth-centric reform policies for the Third World (Misturelli and Heffernan, 2010). Yet, the calamitous effects of those policies (Structural Adjustment Participatory Review International Network [SAPRIN] (2002) led to widespread discontent with economic growth as an end of economic development and, by the 1990s, a pluralist view of economic development had firmly gained ground again. The idea that poverty had one meaning became unpopular and the view that poverty is a multi-dimensional and collective concept gained roots. Aspects such as poverty as a denial of rights or rights based approaches to development became prominent (Misturelli and Heffernan, 2010), with Amartya Sen, Economics Nobel Laureate, writing his *magnum opus*, *Development as Freedom* (Sen, 1999). Indeed, the pluralist view got an added boost when it became possible to quantify progress by calculating the *Human Development Index*, which is a composite measure of health (measured as life expectancy at birth), education (measured as the literacy rate), and standard of living (measured as economic growth).

3. Economic Development: 2000 -

At the turn of the millennium, world leaders adopted a 15-year plan to attain economic development by achieving 8 different goals, christened the Millennium Development Goals (MDGs). These are eradication of extreme poverty and hunger; attainment of universal primary education; promotion of gender equality and empowerment of women; reduction of child mortality;

improvement of maternal health; combating HIV/AIDS, malaria and other diseases; ensuring the provision of environmental sustainability; and developing global partnership for development. It is these that currently constitute the elements of economic development.

Are the MDGs an effective framework within which to consider Africa's development trajectory? It is an improvement over past mono index frameworks. However, there are deep problems with the MDGs too. Take the goal of achieving sustainable land management, for example. Attaining secure tenure under the MDGs entails providing landowners and slum dwellers formal titles to land. Yet, there are many countries in Africa (e.g., Ghana) where the provision of title certificates has not brought secure tenure. In fact, there are many people in Africa who, without titles, feel that their land tenure is secure (Bugri, 2008). Also, in countries such as South Africa, the very notion of providing titles to gain secure tenure is secondary to a broader problem of unequal distribution of land (Bennett *et al.*, 2013). This latter problem has recently been compounded by a phenomenon of land grabbing where the state colludes with private capital to dispossess people of their land (see, for example, Cotula and Vermeulen, 2011; Chu, 2011). So, the issue of secure tenure is conceptually contested and vague (Domeher and Abdulai, 2012).

Other goals are similarly problematic, at least conceptually. The goal of ensuring access to water is a case in point. There are countries where access has improved, but cost, distribution, and reliability of water service have worsened (Allen and Bell, 2011). Also, goal 1 of halving the share of people living under the poverty line says nothing about those people who live under the poverty line. The focus is mainly about those who rise above the poverty line, not those people below it (Easterly, 2007; 2009). Furthermore, feminist economists argue that the gendered nature of economic development is grossly oversimplified into increasing primary school enrolment rate which does not even correlate with income and employment disparities in the 'real world'. By ignoring glaring disparities in gender relations, the MDGs have been nicknamed 'most distracting gimmick' (Francisco and Antrobus, 2009, p.164).

There are also problems of data collection, manipulation, and extrapolation that misrepresent the state of economic development in African countries (Alvarez *et al.*, 2011). Easterly (2007; 2009), for instance, has consistently tried to show that the MDGs are biased against Africa. He shows that because African countries are starting already from a 'low base', the calculations of 'progress' or 'regress' by the UN is likely to tell more positively on other countries than those in Africa. Also, although the MDGs were globally accepted in 2000, the base year for analysis is 1990. Incidentally, most countries in Africa experienced difficult economic circumstances in the 1990s. Therefore, the mark of failure was awarded to 'Africa' at the very beginning of implementing the MDGs and their strategies. Because poverty is usually a *nonlinear function* of per capita income, how quickly it is reduced depends on the initial average incomes. It follows that even if African countries grow at the same pace with countries in other regions, they would perform worse on reducing poverty than richer countries. Thus, most African countries need to grow faster than richer countries elsewhere to attain goal one (Easterly, 2007; 2009).

Furthermore, there are huge disparities in targets in the MDGs (e.g., 50 per cent reduction in poverty; 67 per cent reduction in child mortality), arising from the fact that the MDGs were formulated on the basis of global historical trends, that is, on the basis that universal historical trends would be the same as future trends. It follows that the MDGs are only as good as a global, not necessarily a country-specific or even regional specific, framework (Vandemoortele, 2008). To Rist (2006), the many contradictions in the conceptualisation of economic development would suggest that it is more appropriate to define that notion with reference to empirical circumstances rather than normative ideals. From that perspective, economic development is a problem in itself.

In spite of this complex picture about economic development, both 'friends' and 'enemies' of Africa all too often make claims about how harsh is life in Africa and how bad is everything African on the basis of indicators and frameworks of 'economic development'. A content analysis of the ten most

widely read newspapers in the United States of America showed that, from May to October 2010, only 5 out of 245 articles published on Africa focused on a positive picture of wealth and growth. The rest were about images of death, dying, and poverty (Ezekwesili, 2011, p.ix). It is not only journalists who represent Africa as such. Eminent scholars who write about Third World development are guilty too. For instance, in *The Challenge of Third World Development*, now in its sixth edition, Handelman (2011) attributes 'failure' in African countries to 'a *tradition* of deep government corruption' (p.50, my italics), but when it is about other countries in other regions, he talks of 'a *tradition* of honest governments' (p.48, my italics). The so-called friends of Africa are equally guilty. During a recent symposium focusing on Africa, one attendee suggested that there was something 'African' about despotism when he asked a section of African ministers of state, 'why does Africa have such a big appetite for despots?'²

To counter the emphasis on 'negative Africa', Africanists have started focusing on the success stories in Africa (see, for example, Chuhan-Pole and Angwafo, 2011; African Development Bank, 2011). Yet, these stories normally use the same conventional indicators that are in contest. Also, they merely generate a case of 'reverse propaganda' where positive stories replace negative ones. Chinua Achebe (1978, p.13) once suggested that the approach is akin to offering developed countries, especially Western ones, bribes to make them think positively of Africa. Telling positive stories about Africa is important, of course, but the practice does not address the bigger problem of the appropriateness of some of the socio-economic indicators used to paint a negative image of the continent. There is the need for emphasising other indicators of progress.

While there has been considerable work in looking for alternatives, culminating in the use of a wide variety of indices such as the Human Development Index (HDI) and its variants (e.g., inequality-adjusted HDI) and Human Poverty Index, growth centric indices remain firmly entrenched as the

2 The forum was dubbed 'Building bridges between Africa and Australia'. It was held on the 13th of May, 2011 at the University of Sydney, Australia. The author was in attendance.

most widely used measures of progress. Indeed, one of the key inputs for computing the HDI is the gross national product (GNP), a refinement after years of using gross domestic product (GDP). However, whether GNP or GDP, the economic activities that take place in the massive informal sector in Africa count for little or nothing in this measure. The recent rebasing of the Ghanaian economy, entailing the inclusion and counting of activities in the services sector previously overlooked, led to a whopping 69 per cent increase in the country's GDP and, overnight, Ghana became a lower middle income country; no longer a poor country (Moss and Majerowicz, 2010). This experience gives a strong indication of how current growth measures misrepresent the true state of Africa's economies.

Nevertheless, merely expanding growth measures to capture hitherto ignored economic activities will not be sufficient. Growth measures can be quite autistic. Indeed, while Ghana's economy was supposedly doing really well by the account of the economic managers who were quoting the new, rebased growth figures, the people living in Ghana did not experience any change in their economic situation (Bawumia, 2012). For the youth, it was mainly a case of jobless growth (Institute of Statistical Social and Economic Research, 2012, pp. 201 – 223). So, the economy was doing 'well', but not the people. Further, growth measures do not tell us about the *quality* of the economic activities that are measured as growth, including environmental impacts (Stilwell, 1999). More fundamentally, they reinforce running African economies in ways in which those measures can capture – extending private markets and commodifying society.³

To change track, Williams (2009) has suggested that the rise of African majorities to overthrow white supremacist and minority colonial rule could be an important index the same way that 'colonial economic development' was deemed a success. This measure is perceptive, but it will only tell us about the

3 Some orthodox Austrian economists, notably Frank Shostak, are critical of growth measures, but mainly because they do not sufficiently capture market activities. In turn, they recommend measures that can help to enhance and measure greater commodification of society (see, for example, Shostak, 2001). For a discussion of the analytical and empirical problems of this view of globalising the 'market society', see *The Great Transformation: The Political and Economic Origins of Our Time* by Karl Polanyi, eminent economic anthropologist (Polanyi, [1945] 2001), and more recent political economic studies by Spies-Butcher, Paton, and Cahill (2012).

past. Present and future indices are also needed. One of such alternatives is ‘happiness’ (e.g., Strack *et al.*, 1991) which has recently been described as ‘absolute, universal, ultimate’ and *the* index to replace traditional measures of economic development (Yew-Kwang, 2011, p.1, my italics). In turn, several questions have been asked of happy people. What makes them happy? Why are they happy? What do they do when they are happy? And, most importantly, how is happiness measured (Veenhoven, 1991)?

4. Considering one alternative: Happiness

How much one is satisfied with one’s life, the whole life, is what is usually called happiness (Ott, 2010, p.632). Happiness is normally understood to be comprised of three elements, namely positive affect, satisfaction in life, and the absence of stress (Argyle and Lu, 1990, p.1011). To Aristotle, one of the early writers on the subject, ‘Happiness is the meaning and purpose of life, the whole aim and end of human existence’ (cited in Hagedorn, 2012, p.490).

It is an important measure of progress because it tells how satisfied people are regardless of where they live, their age, sex, or race. To this end, happiness can be used to evaluate a public policy in which case the question will be in what ways the policy is contributing to happiness among the targeted population; or to make a case for a particular type of policy if it can be demonstrated that the said policy will make the people happy (Schubert, 2012). Happy people are friendly to their neighbours and have less stress. They are optimistic and look forward to a future of hope and promise. Happiness levels change with ill health and bad mood (Myers and Diener, 1995; Hills and Argyle, 2002) and it is rare for people to fake happiness *continuously* when they are in ‘misery’ (Veenhoven, 1991, pp. 13-14). For all these reasons, it is an important measure of the quality of life of people.

Psychologists have shown that there is a strong positive correlation between being an extrovert and being happy. The reason is that extroverts partake more in social activities, such as being members of clubs and teams, parties and dances. Extroverts are also happier because they tend to joke more, are assertive, and co-operate more (Lu and Argyle, 1991). Not only does being

sociable correlate with happiness, but also it predicts more happiness (Argyle and Lu, 1990). General network relationships, network-based information channels, and mutually agreed sanctions for breach of community trust are said to predict happiness too (Leung *et al.*, 2011).

Orthodox economists claim that the process of producing happiness can be reduced to only four factors, namely present circumstances, past experiences, future expectations, and comparison with others (Frey and Stutzer, 2002, p.405). However, psychologists contend that the issues are more complex, involving debates about whether happiness is a product of emotions or thinking, whether people are born with happiness traits, or whether happiness is mainly dependent on the satisfaction of needs or comparison with others (Veenhoven, 1991, pp.14-15). More recent studies (e.g, Veenhoven, 2011, pp.11-12) have shed some light on these issues. First, there is a variation in the levels of happiness of different people over time. So, trait is important but happiness is not all about trait. Comparison too is important but so are absolute measures.

The measurement of happiness can be done ‘subjectively’ or ‘objectively’. Establishing subjective wellbeing, or measuring happiness subjectively, entails interviews with people using different questions about how satisfied they are with life. The *Oxford Happiness Questionnaire* and the *Oxford Happiness Inventory* are widely used tools for collecting information about people’s self-reported happiness (Hills and Argyle, 2002) and the World Database of Happiness is a one-stop shop for papers on the subject (see Veenhoven, 1994 for an overview).

There are also objective measures. Such criteria are proxies to determine whether individuals are happy. Specific questions include whether personal needs have been met. There are also reflections on creativeness and self-actualisation, suicide rates and so on. These proxies constitute what economists call ‘revealed preference’. To economists, subjective measures are unscientific, so objective measures are preferable (Frey and Stutzer, 2002). However, psychologists, who pioneered the study of happiness, have shown that there is a general consensus that people’s life satisfaction cannot be assessed using proxy indicators. It is better to seek people’s subjective well-being (Veenhoven, 1991,

pp.9-12). This approach corresponds with the ancient Aristotelian wisdom that ‘[w]e must therefore survey what we have already said, bring it to the test of the facts of life, and if it harmonises with the facts we must accept it, but if it clashes with them we must suppose it to be mere theory’ (cited in Helliwell, 2003, p. 332-333).

On this basis, can it be said that Africans are happy? Table 1 is revealing. It contains data on the subjective responses of people in different countries across the world to the question whether they have a purposeful life. The top 20 performers in a league containing the US, UK, the Netherlands, France, Sweden, and Australia are African countries. Liberians are the happiest people on earth, by that measure. People in materially poor countries such as Sierra Leone were happier than the populations of resource rich countries such as the United States (49th), the UK (116th), and Norway (100th).

| Ranking on the Basis of population Living a purposeful life | Country | % of people who agreed that they have a purposeful life | Negative Experience Index (0, most negative; 100 least negative) |
|---|---------------|---|--|
| 1 | Liberia | 100 | 27 |
| 1 | Venezuela | 100 | 19 |
| 3 | Togo | 99 | 21 |
| 3 | Malawi | 99 | 14 |
| 3 | Mali | 99 | 13 |
| 3 | Niger | 99 | 14 |
| 3 | Namibia | 98 | 16 |
| 3 | Kenya | 98 | 19 |
| 3 | Ghana | 98 | 22 |
| 3 | Cote d'Ivoire | 98 | 16 |
| 3 | Sierra Leone | 98 | 37 |
| 3 | Congo | 98 | 23 |
| 3 | Panama | 98 | 15 |
| 3 | Ecuador | 98 | 27 |
| 3 | Colombia | 98 | 25 |
| 3 | Jamaica | 98 | 18 |
| 3 | Viet Nam | 98 | 17 |
| 3 | Nicaragua | 98 | 28 |
| 3 | Lao | 98 | N/A |
| 20 | South Africa | 97 | 24 |

continued...

...continued

| | | | |
|-----|--------------------------|----|----|
| 20 | Sudan | 97 | 28 |
| 28 | Benin | 96 | 24 |
| 28 | Madagascar | 96 | 19 |
| 28 | Uganda | 96 | 31 |
| 28 | Guinea | 96 | 26 |
| 28 | Central African Republic | 96 | 28 |
| 28 | Peru | 96 | 28 |
| 49 | USA | 94 | 28 |
| 82 | Denmark | 89 | 15 |
| 90 | Australia | 87 | 22 |
| 90 | New Zealand | 87 | 24 |
| 100 | Norway | 85 | 16 |
| 100 | Sweden | 85 | 16 |
| 100 | Germany | 85 | 22 |
| 116 | UK | 79 | 24 |
| 124 | Netherlands | 70 | 16 |
| 134 | Hong Kong | 60 | 26 |

Table 1: Ranking of Countries on the basis of happiness

Source: UNDP, 2010, pp. 176-179

True, caution is needed in analysing the data in table 1 because there is some debate about whether having a purposeful life is analogous with being happy. However, existing evidence shows that the two are not substantially different and can be treated as synonymous (Easterlin, 2004). Future research can employ the use of ethnographic interviewing to further probe these results but, for now, with no contrary evidence, the question should be what makes people happy and what does not?

There is formidable evidence that values such as kindness, sharing, togetherness, good health, self-respect, enjoyable work, singing, marriage, love and other collective ethos make people happy. Values such as competition, selfishness, greed, individualism – the famous *homo economicus* ethos highly praised by orthodox economists - typically make people grievous and are inconsistent with religious beliefs about love and collectivity (Leung *et al.*, 2010; Ferrer-i-Carbonell and Ramos, 2012). Indeed, one survey of economics PhD students showed that the ethos of economic science is inconsistent with the Christian faith about generosity and kindness (Chalupníček, 2011).

Earning more income - which has ringing endorsement in orthodox economics theories - is important but, as demonstrated in the well-known Easterlin Paradox, only to a point. That is, after a certain basic increase in per capita income, further increases make no difference to levels of happiness (Easterlin *et al.*, 2011). But even beyond that, the insatiable drive for profit, profit, and profit can actually cause stress or, what in the *Theory of Moral Sentiments*; Adam Smith called the parable of the poor man's son. Greatly desirous of the comforts of the rich, the poor man's son puts in great effort to be like the rich (Peach, 2010, p.407). Year by year trying everything possible and only eventually realising that he has denied himself of the pleasures associated with his body and mind conditions in those years of exertion than he would ever have done from the want of those pleasures (Peach, 2010, p.407). “‘The deluded young man’, the parable goes, ‘is ambitious, admires the condition of the rich, and imagines that great riches will bring him correspondingly great happiness’, so he ‘devotes himself for ever to the pursuit of wealth and greatness’. In the process, ‘he submits in the first year, nay in the first month of his application, to more fatigue of body and more uneasiness of mind than he could have suffered through the whole of his life from the want of them’” (Peach, 2010, p.407). At old age, the once youngman realises the folly of pursuing too great wealth (Peach, 2010, p.407). Being with the Joneses itself creates a dis-ease of frustration, chronic stress, indebtedness, waste in society, and an endless marathon for plenty - symptoms collectively diagnosed as ‘affluenza’ by Australian political economists Clive Hamilton and Richard Denniss (2005).

Further, when individual incomes increase at the expense of or relative to broader societal incomes, there is great tension, fear, and panic, especially for those who hold the disproportionate share of income in society. In turn, gated and guarded communities arise in which the rich and well-to-do retreat for protection often from non-existent crime – a phenomenon sociologist Runciman (1972) referred to as relative deprivation and recently empirically verified (Obeng-Odoom *et al.*, 2013). These findings, based on both life-cycle and point-in-time studies, flatly reject the economic theory of happiness: more money

makes you happy, eloquently explained in *The Happy Economist* (Gittins, 2010) or, more recently, in the work of Stevenson and Wolfers (2013).

More fundamentally, these findings raise questions about what is meant by Africa's need for 'economic development'. It behoves the region to champion a new way of seeing its development that tries to prioritise the ethos, values, and ends that make people happy, such as providing quality healthcare and improving the life experiences of people with different abilities or so-called disabled people; and support and improvement of communal and decentred forms of organisation and governance in which the youth, for instance, can hold their leaders to account and in which Africans can live harmoniously with the environment (Maathai, 2012). Further, there can be greater support for families and mothers, including support for child care. If money is also important, but to some level, then perhaps African leaders may consider committing themselves to an amount of country-specific income floor for everyone regardless of whether they are employed. Progressive regulations collectively decided and strictly enforced to tax away unearned income, for example, concentrated in the hands of landowners, can also be considered.

In practice, rather than 'think and act for themselves, and learn from their mistakes', to use the words of Wangari Maathai, African Nobel Laureate (Maathai, 2012, p. 7), past efforts at Africa's development – be it national, regional, or continental, have mostly been modelled after global ideas of the ends of development. Unification (e.g., combining Africa's markets through regional blocs such as New Partnership for Africa's Development) and import substitution industrialisation, structural adjustment programmes, indigenisation, and villagisation while different strategies and tried at different times, have all been aimed at achieving similar changing ends of development. 'Alternative strategies' provided by the UN-Economic Commission for Africa and the African Development Bank Group have mostly been aimed at similar ends too.

Indeed, the current issue of the African Development Bank Group's *Economic Outlook 2013* report (African Development Bank *et al.*, 2013) understands 'economic development' mainly in growth terms. To be sure, there are many who, regardless of the numerous weaknesses of the measures of

economic growth – e.g., failure to take into account the work of women and the vast number of people in the informal sector in Africa, the disconnect between growth and happiness, the neglect of environmental problems in the measures of growth, and lack of attention to inequality - argue the case for giving more priority to achieving more growth, as we see in *Why Africa Fails: the Case for growth before democracy* (Twineyo-Kamugisha, 2012).

Some of these aspirations are the result of mimicry of the West, or put more positively, an attempt to show – as was the case of Nkrumah’s modernisation efforts – that the Blackman can pursue the same modernisation and growth ends to which the coloniser aspired. At other times, some of the terms have been forced down the throats of African leaders as was the case with the Structural Adjustment Programmes (Cooper, 2002, pp. 93-118). Indeed, it has been argued (e.g., Bierschenk and Spies, 2010) that since the onset of the development project, Africa has received more external ‘advice’ than any other continent. Further, most of the development advice invariably leads to greater secularisation and commodification of African society.

While a large number of African leaders have worked in cahoots with global forces in pursuing what can be called ‘development as commodification’, some of the strategies proposed by Africans themselves have been quite radical. One example is limiting economic integration with the ‘developed’ Western countries on the basis that contacts with such countries have led to the ‘development of underdevelopment’ and, in turn, promoting strategies of regional integration and self-reliance. Such were the ideas that were encapsulated in the *Lagos Plan of Action for the Development of Africa, 1980 - 2000* published by the Organisation of African Unity (OAU), currently African Union, (OAU, 1979), that drew intellectual inspiration from dependency theorists in Africa (e.g., Amin, 1972; 2002) and Latin America (e.g., Frank, 1966).

These are radical perspectives because contrary to the widely held view that the ‘developed’ and ‘developing Africa’ are unrelated or are travelling on a different path, and the whole development project is supposed to make Africa resemble the developed North, they posit that those trying to ‘help’ Africa to

develop are, in fact, occupying their position of wealth and prestige mainly because Africa is 'poor' (Rodney, 1972; Southall and Melber, 2009; Kindiki, 2011). Dependency ideas of development question the universalising notion of globalisation and world integration. However, put under close watch, we see that they aspire to similar global ends of development (mainly economic growth), albeit via a different path and way of thinking.

Regardless, as we see from the work of Owusu (2003), these brave ideas have hardly been entertained, let alone fully implemented. Such neocolonial impediments continue to this day. Neoliberal and imperial apparatuses continue to thwart efforts of thinking about development in a different way, while giving resounding support to different shades of development measures, meanings, and processes, selectively, chosen to open up, extend, and deepen existing private markets in Africa ultimately for the benefit of powerful and wealthy classes without, within, and around Africa.

5. Conclusion

So, is something wrong with economic development in Africa?

'Silence!' the King called out and read out from his book, 'Rule Forty-two: All persons more than a mile high to leave the court.' Everybody looked at Alice. 'I'm not a mile high', said Alice. 'You are', said the King. 'Nearly two miles high', added the Queen. 'Well, I sha'n't go, at any rate', said Alice: 'besides, that's not a regular rule: you invented it just now'. 'It's the oldest rule in the book', said the King. 'Then it ought to be Number one', said Alice. The King turned pale, and shut his note-book hastily' (Lewis Carroll, *Alice in Wonderland*, cited in Lund, 1998, p.1).

Such selectivity rings true for many an analysis of the state of economic development in Africa. 'Africa is a failure' is a common discourse. One reason for this misrepresentation is ignorance - ignorance about the diversity in Africa: that Africa is not a country but a continent; ignorance about the political economy of economic indicators, and ignorance about history –, but ignorance is only part of the picture. Ideology and hence the privileging of certain indicators constitute yet another motive, while prejudice is a third reason.

Regardless of the reasons, whether Africa is doing well or badly depends on which indicators are used for analysis. Economic development is nothing and everything. Its meanings and objects evolve and are often contested. It means different things at different times. On some of its objectives, African countries are doing well, but on others they are not doing so well. On many more, African countries differ in their ranking. So, just as people do not make sweeping generalisations about the Americas based on selective evidence or simplistic generalisations about Europe based on indicators parochially chosen about Belarus, for example, it is misleading to depict 'Africa' as a hopeless continent on the basis of selecting narrow indicators and evidence from a few countries on the continent.

The one thing that is clear whatever indicator is chosen is that, across Africa – North, South, West, and East, Central, Madagascar, and the small island states - the African people themselves have made an emphatic statement: they live a purposeful and happy life. The implication is this. The continent and its leaders ought to focus less on pecuniary, secular measures of progress, and do more in terms of what enhances their people's happiness.

Franklin Obeng-Odoom is the Chancellor's Postdoctoral Research Fellow at the School of the Built Environment, University of Technology, Sydney in Australia. He holds degrees in Land Economy (B.Sc), Urban Economic Development (M.Sc.), and Political Economy (Ph.D) respectively from the Kwame Nkrumah University of Science and Technology, the University of London (UCL), and the University of Sydney. He writes on political economy of development, urban political economy, and economic anthropology. His publications have appeared in journals such as *Review of African Political Economy*, *The Review of Black Political Economy*, and *Review of Radical Political Economics*. He is the author of the book, *Governance for Pro-Poor Urban Development: Lessons from Ghana* (Routledge, 2013). Franklin is currently an associate editor of the *African Review of Economics and Finance*. He can be contacted at Franklin.Obeng-Odoom@uts.edu.au

Acknowledgements

The author acknowledges the learned comments on a previous draft by the two referees for AREF. The usual disclaimer applies.

References

- Achebe, C. (1978). 'An Image of Africa', *Research in African Literatures*, vol. 9, no. 1, pp. 1-15.
- African Development Bank (AfDB), the OECD Development Centre, the Economic Commission for Africa (ECA) and the UN Development Programme (UNDP), (2013), *African Economic Outlook*, OECD Development Centre Immeuble Seine Saint-Germain 12, Boulevarddes Îles 92130 Issy les Moulineaux France.
- African Development Bank. (2011). 'The middle of the pyramid: Dynamics of the African middle class', AfDB, Tunisia.
- Allen, A. and Bell, S. (2011). 'Glass half empty? Urban water poverty halfway through the Decade of Water for Life', *International Journal of Urban Sustainable Development*, vol. 3, no.1, pp. 1-7.
- Alvarez, G., Tran, M., and Raina, R. (2011). 'MDGs: Sub-Saharan Africa: Overcoming: Data Gaps and Ranking Progress', Discussion Paper No. 2011-01.
- Amin S. (1972). 'Underdevelopment and dependence in Black Africa: Historical origin', *Journal of Peace Research*, vol. 9, pp. 105 -119.
- Amin, S. (2002). 'Africa: Living on the fringe', *Monthly Review*, March, pp. 41-50
- Argyle, M. and Lu, L. (1990). 'The happiness of extraverts', *Personality and Individual Differences*, vol. 11, no.10, pp. 1011-1017.
- Arndt, W. (1981). 'Economic development: A semantic history', *Economic Development and Cultural Change*, vol.29, no.3, pp. 457-466.
- Arndt, W. (1989). *Economic Development: The History of an Idea*, The University of Chicago Press, London and Chicago.
- Bauer, P.T. (1971). *Dissent on Development: Studies and Debates in Development Economics*, Cox and Wyman Ltd, London, Fakenham and Reading.
- Bawumia, M. (2012). 'The state of our economy' speech delivered at the Ferdinand O. Ayim Memorial Lecture in Accra, May 2.
- Bennett, J., Ainslie, A., and Davis, J. (2013). 'Contested institutions? Traditional leaders and land access and control in communal areas of Eastern Cape Province, South Africa', *Land Use Policy*, vol. 32, May, pp. 27 – 38.
- Bierschenk, T. and Spies, E. (2010). 'Introduction: Continuities, Dislocations and Transformations: 50 Years of Independence in Africa', *Africa Spectrum*, vol. 45, no. 3, pp. 3-10.
- Bugri, J. T. (2008). 'The dynamics of tenure security, agricultural production and environmental degradation in Africa: evidence from stakeholders in north-east Ghana', *Land Use Policy*, vol. 25, no.2, pp.271-285.

- Chalupníček, P. (2011). “‘No One Can Serve Two Masters’: Is There a Conflict between Economics and Christianity in the Minds of Young Christian Economists?”, *New Perspectives in Political Economy*, vol. pp. 79 – 97.
- Chu, J. (2011). ‘Gender and ‘land grabbing’ in sub-Saharan Africa: women’s land rights and customary land tenure’, *Development*, vol., 54, no.1, pp. 35-39.
- Chuhan-Pole, P. and Angwafo, M, eds. (2011). *Yes, Africa Can: Success Stories from a Dynamic Continent*, World Bank, Washington D.C.
- Cooper, F. (2002). *Africa Since 1940: The Past of the Present*, Cambridge University Press, Cambridge.
- Cotula, L. and Vermeulen, S. (2011). ‘Contexts and procedures for farmland acquisitions in Africa: What outcomes for local people?’, *Development*, vol.54, no.1, pp.40-48.
- Domeher, D and Abdulai, R. (2012). ‘Access to credit in the developing world: does land registration matter?’, *Third World Quarterly*, vol. 33, issue 1, pp. 161-175.
- Easterlin, R.A, McVey, A.L, Switek, M, Sawangfa, O, Zweig, J.S. (2011). ‘The Happiness-Income Paradox Revisited’, IZA Discussion Paper No. 5799 June.
- Easterlin, R.A. (2004). ‘The Economics of happiness’, *Daedalus*, vol. 133, Issue 2, pp. 26 - 33
- Easterly, W. (2007). ‘How the Millennium Development Goals are unfair to Africa’, *Brookings Global Economy and Development*, Working Paper no. 14, November.
- Easterly, W. (2009). ‘How the Millennium Development Goals are Unfair to Africa’, *World Development*, vol.37, no.1, pp.26-35.
- Ezekwesili, O. (2011). ‘Foreword’ in *Yes, Africa Can: Success Stories from a Dynamic Continent*, Chuhan-Pole P and Angwafo M (Eds), World Bank, Washington D.C., p.ix.
- Ferrer-i-Carbonell, A. and Ramos X. (2012). ‘Inequality and happiness: A Survey’, Gini Discussion Paper 38, AIAS, May.
- Fosu, A. (2010). ‘Africa’s economic future: Learning from the past’, *CESifo Forum*, vol. 11, no.1, pp. 62 – 71.
- Francisco, G. and Antrobus, P. (2009). ‘Mainstreaming trade and millennium development goals?’, in Salleh A, ed, *Eco-Sufficiency and Global Justice: Women Write Political Ecology*, Pluto Press and Pinifex Press, Melbourne, pp. 157-164.
- Frank, A. G. (1966). ‘The development of underdevelopment’ in Rajani K (ed), *Paradigms in Economic Development: Classic perspectives, critiques and reflections*, M.E.Sharpe, London, pp.99-106.
- Frey, B. and Stutzer, A. (2002). ‘What can economists learn from happiness research’, *Journal of Economic Literature*, vol. 40, no. 2, pp. 402 – 435.
- Gittins, R. (2010). *The Happy Economist: Happiness for the Hard-Headed*, Allen and Unwin, Sydney.

- Hagedorn, L.S. (2012). 'The Meaning of Academic Life', *The Review of Higher Education*, vol. 35, no. 3, pp. 485-512.
- Hamilton, C. and Denniss, R. (2005). *Afluenza: When Too Much is Never Enough*, Allen and Unwin, Sydney.
- Handelman, H.(2011). *The Challenge of Third World Development*, sixth edition, Pearson Education, Inc, London.
- Helliwell, F. J. (2003). 'How's life? Combining individual and national variables to explain subjective well-being', *Economic Modelling*, vol. 20, pp. 331-360.
- Hills, P. and Argyle, M. (2002). 'The Oxford Happiness Questionnaire: a compact scale for the measurement of psychological well-being', *Personality and Individual Differences*, vol. 33, pp. 1073-1082.
- Institute of Statistical Social and Economic Research (ISSER). (2012). *The State of the Ghanaian Economy in 2011*, ISSER, Accra.
- Kindiki, M. (2011). 'International regime governance and apparel labour upgrading in export processing zones in urban Kenya', *African Review of Economics and Finance*, vol. 3, no.1, pp. 26 – 40.
- Leung, A., Kier, C, Fung, T., Fung, L., Sproule, R. (2010). 'Searching for Happiness: The Importance of Social Capital', *Journal of Happiness Studies*, vol. 12, pp. 443–462.
- Lewis, A. (1954). 'Economic development with unlimited supplies of labour', *The Manchester School*, vol. 22, issue 2, pp. 139-191.
- Lu, L. and Argyle, M. (1991). 'Happiness and cooperation', *Personality and Individual Differences*, vol.12, no.10, pp. 1019 – 1030.
- Lund, C. (1998). 'Development and rights: Tempering universalism and relativism', *The European Journal of Development Research*, vol. 10, no.2, pp.1-6.
- Maathai, W. (2012). *The Challenge for Africa: A New Vision*, William Heinemann, London.
- Martinussen J. (2005). *Society, State, and Market: A Guide to Competing Theories of Development*, Zed Books Ltd., London and New York.
- Mills, G. and Herbst, J. (2012). *Africa's Third Liberation: The New Search for Prosperity and Jobs*, Penguin books, Johannesburg.
- Misturelli, F. and Heffernan, C. (2010). 'The concept of poverty: a synchronic perspective', *Progress in Development Studies*, vol. 10, no. 1, pp. 35 – 58.
- Moss, T. and Majerowicz, S. (2012). 'No Longer Poor: Ghana's New Income Status and Implications of Graduation from IDA', CGD Working Paper 300, Washington, D.C.: Center for Global Development.
- Myers, D. and Diener, E. (1995). 'Who is happy?', *Psychological Science*, vol. 6, no.1, pp. 10-17.

- Njoh, A.J. and Ayuk-Etang, E. N.M. (2012). 'Combating Forced Labour and Human Trafficking in Africa: The Role of Endogenous and Exogenous Forces', *African Review of Economics and Finance*, vol. 4, no.1, pp. 30 -52.
- Obeng-Odoom, F, Elhadary, Y.A, Jang, H.S. (2013). 'Living behind the wall and socio-economic implications for those outside the wall: Gated communities in Malaysia and Ghana', *Journal of Asian and African Studies*.
- Organisation of African Unity (OAU). (1979). Lagos Plan of Action for the Economic Development of Africa, 1980 – 2000, OAU, Addis Ababa.
- Ott J. (2010). 'Greater happiness for a greater number: some non-controversial options for governments', *Journal of Happiness Studies*, vol. 11, pp. 631-647.
- Owusu, F. (2003). 'Pragmatism and the Gradual Shift from Dependency to Neoliberalism: The World Bank, African Leaders and Development Policy in Africa', *World Development*, vol. 31, no.10, pp. 1655–1672.
- Peach, T. (2010). "Measuring 'The Happiness of Nations': The Conundrum of Adam Smith's 'Real Measure of Exchangeable Value' ", *History of Political Economy*, vol. 42, no. 3, pp. 403 – 424.
- Polanyi, K. ([1945] 2001). *The Great Transformation: The Political and Economic Origins of Our Time*, Beacon Press, Massachusetts.
- Rist, G. (2006). 'Before thinking about what next: prerequisites for alternatives', *Development Dialogue*, vol. 1, June, pp. 66-95.
- Rodney, W. (1972). *How Europe Undeveloped Africa*, Bogle-L'Ouverture Publications, London and Tanzanian Publishing House, Dar-Es-Salaam.
- Rostow, W.W. (1954). 'The five states of growth- A summary' in Rajani Kanth (ed.), *Paradigms in Economic Development: Classic Perspectives, Critiques, and Reflections*, M.E. Sharpe, London, pp. 99 – 106.
- Runcimann, W. G. (1972). *Relative deprivation and social justice*, Routledge London.
- Structural Adjustment Policy Review International Network (SAPRIN). (2002). 'The policy roots of economic crisis and poverty: A multi country participatory assessment of structural adjustment', First Edition, April, SAPRIN, Washington DC.
- Send, A. (1999). *Development as Freedom*, Oxford University Press, Oxford.
- Schubert, C. (2012). 'Pursuing happiness', *Kyklos*, vol. 65, no. 2, pp. 245–261.
- Shostak, F. (2001). 'What is up with GDP', *Misses Daily*, August 23.
- Southall, R. and Melber, H., eds. (2009). *A New Scramble for Africa? Imperialism, Investment and Development*, University of KwaZulu-Natal Press, Durban.
- Spies-Butcher. B., Paton, J., and Cahill, D. (2012). *Market Society: History, Theory, Practice*, Cambridge University Press, Melbourne.
- Stevenson B, Wolfers J. (2013). 'Subjective Well-Being and Income: Is there any evidence of satiation? NBER Working Paper No. 18992, April.

- Stilwell, F. (1999). 'Measuring progress: Is life getting better', *Journal of Australian Political Economy*, vol. 44, pp. 127-139.
- Strack, F, Argyle M, Schwarz N. (1991). 'Introduction', in Strack F, Argyle M, Schwarz N, (Eds.), *Subjective well-being an interdisciplinary perspective*, Pergamon Press, Oxford, pp. 1 – 3.
- The Economist. (2000). 'Hopeless Africa', *The Economist*, May 11.
- Twineyo-Kamugisha, E. (2012). *Why Africa Fails: the Case for growth before democracy*, Tafelberg, Cape Town.
- UNDP. (2010). *Human Development Report 2010*, Palgrave Macmillan, New York.
- Vandemoortele, J. (2008). 'Making sense of the MDGs', *Development*, vol. 51, pp. 220-227.
- Veenhoven, R. (1991). 'Questions on happiness: classical topics, modern answers, blind spots', in Strack F, Argyle M, Schwarz N, (eds.), *Subjective well-being an interdisciplinary perspective*, Pergamon Press, Oxford, pp. 7-26.
- Veenhoven, R. (1995). 'World Database of Happiness', *Social Indicators Research*, vol. 34, pp. 299 -313.
- Veenhoven, R. (2011). "World Database of Happiness: Example of a focused 'findings archive'", German Data Forum (RatSWD) Working Paper no. 169, February.
- Williams, S. (2009). 'Ways of seeing Africa', *Africa: The Journal of International African Institute*, pp. vii-xiv.
- Yew-Kwang Ng. (2011). 'Happiness is absolute, universal, ultimate, unidimensional, cardinally measurable and interpersonally comparable: A basis for the environmentally responsible Happy Nation Index', Discussion paper 16/11, Monash University, Melbourne, Australia.