

Recovering Economic Self-confidence in Africa

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info@idrc.ca

. "Regardless of who created the crisis, we are responsible for the solution." That's the message from Professor Thandika Mkandawire, a leading African economist, to the peoples and governments of his continent.

However, African professionals and governments played a relatively minor role in devising the structural adjustment policies imposed by the World Bank and the International Monetary Fund (IMF). Few African economists, if any, could match the time and resources that World Bank and IMF counterparts devoted to research and policy-making in a single country.

Local economists were marginalized from the structural adjustment process, suffering from lack of access to information more readily available to visiting World Bank economists. Mkandawire sees the lack of regard for African economists reflected in World Bank documents on Africa that almost never cite African writers.

With support from IDRC, Mkandawire hopes this will change. He is one of 30 leading African economists who have developed an African perspective on adjustment policies. The 30 or so papers they have prepared address the issue from many sides: agriculture, trade policy, currency devaluation, the environment, governmental legitimacy, and poverty reduction. The researchers and their three financial backers -- IDRC, the Dutch government, and the Swedish International Development Agency (Sida) -- plan to circulate the results widely. They hope the results will launch a serious partnership between African intellectuals and agencies like the World Bank and the IMF.

Interestingly, there is much about which the 30 Africans and their World Bank or IMF colleagues can agree. Both sides believe that certain fundamental aspects of African economies must be set right, painful as this process might be. However, there are disagreements about the World Bank's simplistic insistence on market forces as the solution to Africa's problems.

Disagreements aside, Professor Mkandawire believes there is a much more important lesson to be learned from the project. "What this IDRC project suggests," he says, "is that the capacity exists in Africa. What is needed is to mobilize it. The main issue is how you use the capacity you've built."

Mkandawire looks forward to the publication of the papers as an opportunity to "showcase" African economists. He hopes African governments will be persuaded that many African economists are as competent as, or more so than, the experts who have come to Africa as "doctors" armed with strong medicine. "Africans," he says, "must get back in the driver's seat."

He hopes also to convince "some donors like Canada, the Scandinavians, and others" that the African perspective is based on sound scientific work. He expects the World Bank to conclude that some of his colleagues' findings are in line with recent changes in the Bank's own thinking. Mkandawire and his colleagues note the Bank's shift to a "developmentalist" approach.

IDRC's Track Record

IDRC has long appreciated the importance of African capacity in economics. In 1973, 3 years after its own establishment, it became a founding donor of the Council for Development of Economic and Social Research in Africa (CODESRIA), which coordinated the "African perspectives" project.

In 1983, IDRC began a concerted effort to develop the region's economic research capacity. This led to the establishment of the African Economic Research Consortium (AERC). AERC is now a multidonor consortium and the premier African research body in the economics field. It has worked closely with CODESRIA on the African perspectives project. CODESRIA runs a smaller but similar program of support for Francophone researchers.

Over the years, IDRC has provided support for several other networks and projects bearing on structural adjustment issues. These and similar initiatives have sought to strengthen economic research capacity throughout Africa.

Over time, there has developed a growing network of individuals and research centres on the continent. Projects like the one on African perspectives on structural adjustment tap into a uniquely African pool of knowledge developed with support from IDRC and other donors working in partnership.

In future, IDRC will seek a balance between capacity utilization and further capacity building. In pursuit of capacity building, IDRC has proposed the creation of a Secretariat for Institutional Support for Economic Research in Africa, or SISERA. SISERA will support the efforts of Africa's research centres and universities to provide research opportunities for economics students, professors, and practitioners.

The Centre's sustainable employment theme will build on achievements to date by concentrating on three broad-based initiatives. One, focusing on trade, employment, and competitiveness, will help developing countries to participate more effectively in the global economy. A second initiative will help countries develop policies to achieve economic growth and efficiency while softening the impact on vulnerable groups. The third will help increase the efficiency and effectiveness of small, medium, and micro enterprises, upon which developing countries depend for most of the jobs created off the farm.

By supporting the efforts of these countries to gain control over their economic future, IDRC is helping to put developing countries in "the driver's seat."