

Leadership, Governance and the Development Agenda: Old Wine in Old Wineskin

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Abstract

The recurring theme of economic diversification in Africa is as old as African independence. The discourse in itself like many others is more popular in academic circles than it is in the agenda of Head of States and government who wield executive powers to direct and implement policy options. When Heads of States make the call for diversification, it is to attract the attention of its citizens who have lost confidence in governance or during the “raining season”, as it is in Nigeria's so-called “recession”, for instance. This paper posits that if the recent call for diversification is to fall on fertile soil, approaches to sustainable development must change the relations of production in Africa which are clearly foreign and opposed to African development. Democratic experiments and practices have done little because of their application and reinforcement of same relations which have become fetters to progress and development. The qualitative methodology has been used to derive the position of this paper. It is shown that diversification will strengthen local manufacturing base, encourage self-reliance, reduce dependency inter alia, only if the call is home grown and driven by a visionary leadership.

Keywords: *Economic diversification, Sustainable development, Leadership, Relations of production, Governance.*

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Background to the Study

The call for economic diversification is not new; it only reinforces the desire to sustainable development which has eluded Africa in spite of its innumerable strategic natural endowments. Ironically, it does appear that this call does not arise from a genuine desire to transform the pre-industrial economies of African states truncated by the many years of colonialism. Observation has shown that each time the vagaries of international trade affect Africa adversely, the call for diversification is echoed; once the condition ameliorates the old order of squander mania returns full circle. It has also been observed that the need for diversification may result from a condition imposed by the precursors of international capital who insist that a country must adopt certain measures including diversification, privatization among others, to enjoy patronage, assistance and continuity in the orbit of western capital. These pre-conditions are regardless of whether pre-industrial economies of African states are suited for such dictations.

A new trade and investment policy between the United States and Sub-Saharan Africa, in order to expand trade benefits to would-be-members signed into law in 2000 by the United States Congress for instance, have as its eligibility requirements: the protection of private property; not engaging in activities that undermines United States national security and foreign policy interest, *inter alia* (Odongo, 2013). States like Kenya, Nigeria and many others who chose to belong must abide by the dictates of the United States regardless of the negative implications to the growth and development of pre-industrial societies. Development, it should be reiterated, does not only entail economic development; social, political, moral, psychological and other components of development are essential to the wealth, growth and development of any nation (Todaro & Smith, 2004) to these, development experts ignore.

To speak of privatization in Nigeria for instance, is a painful reminder of how public property is willed away to private individuals to maximize their profit and widen the gap between the rich and the poor masses who are directly involved in producing material wealth of the nation (Enor, 2009). Nigerians are now forced to pay estimated bills for services they do not enjoy as privatization of the power sector has recorded abysmal failure in terms of service delivery. Privatization has come to stay any way, whether as a home grown development strategy or as a dictation of foreign financial partners. To the second condition as afore stated above, what is United States national security and foreign policy interest at any given time is ambiguous to peripheral economies. Leaders and their policy makers who still bask in the now outmoded view that development of pre-industrial economies must be a faithful imitation of western development model have chosen to belong to the capitalist orbit. The point in all of these is to show that if the call for diversification is home grown and inward looking, with a sincere commitment and peoples' driven, surely dividends are bound to accrue, conversely, if diversification is predicated on capitalist relations of production as other primary resources of African states, diversification may amount to intensification of primary production for western industrial capital.

This paper attempts to reconcile leadership, governance and the development agenda. It presupposes that diversification like any development plan or strategy is driven by the human institution which good governance and visionary leadership is the pivot for success. It undertakes a historical survey of the *raison d'être* for diversification, the prospects and constraints, it also beams at other climes and their success story as a necessary complement to diversification and then concludes.

Leadership, Governance and the Development Dilemma

The literature on African development partly ascribes the poor economic status of African economies to the many years of colonialism which truncated its independent development and further incorporated it into the western capitalist economy as a primary producer. These varied explanations from Africa and Latin America polarized into many scholarly works of bourgeois and radical scholars. Rodney (1972), Frank (1969), Ake (1981), Rostow (1960), Roxborough (1983), to mention a few have in their different titles and thesis articulated their views on development, underdevelopment, development strategies and so on. While this paper is not tailored along these arguments, convincing as they may be, suffice to state here that though colonialism may have played a role in African underdevelopment, it cannot continue to be so fifty or more years after.

Taking measurement from 1960, any child born in that year should have severed primordial relationship from the parents to assume independent status. This was however not to be as some scholars postulate the organic manner of integration which allows for neocolonial manipulations from erstwhile colonial masters who are still playing a major economic and political roles in African nation building experiments.

African independence has shown itself only in the choice of its leaders, that is, if the freedom to choose leaders has not been negated by a bourgeois brand of democratic pretensions. Many African countries still look up to their foreign friends for development agendas, strategies and plans. Some have gone further to take the extreme position of mortgaging their territories to foreign military establishments. The failure of leadership has become traumatic and a major impediment to African development.

Development, conceptualized as all round progress and the promotion of happiness of mankind is abstract phenomenon without leadership and good governance. The success or failure of any development agenda is predicated on visionary leadership. It is leadership that drives the development process. Diversification in itself is a policy tool in the hands of the leaders. To speak of good governance therefore is to think about service leadership that is capable of transforming natural endowments to the development of the state, enforce the rule of law and demonstrating the will-power to check excesses by highly placed individuals in and outside government.

Interestingly, a paradigm shift in literature on African development has also demonstrated how Africa underdeveloped Africa. Igwe's (2010) thesis is underscored by the fact that Africa, which parades the most strategic natural resources is the least developed continent, "resource curse". It is from this concern that the noble cry for diversification, it is feared, may result in futility. Two obvious concerns are (i) the prevailing conditions of the international market and (ii) the ability or lack of it to harness income from diversification to sustainable development by leaders. These two concerns will be analysed in turn.

Firstly, the prevailing condition of the international market which has remained under the monopolistic control of developed countries regulates trade in favour of developed economies. Until international market becomes democratic allowing "free trade indeed" with terms favourable to the producers of raw materials, diversification may not produce any remarkable difference.

Secondly, African leadership probably with some exception have shown itself not spirited enough to take responsibility for harnessing income from export to bettering the lives of the tax payers some of who are directly involved in producing the wealth of the nation. It is no longer news that leaders in Africa pride themselves with how much financial wealth they have taken from their country's coffers. In Nigeria, for instance, commenting on "loot", a onetime Head of State is reported as saying, what they took in their days was child's play compared to what government officials take nowadays. Such would be the fate of diversification which may generate more income only to be looted away with impunity by leadership. Seen from the above therefore, the problem really may not be revenue generation but how to utilize and direct revenue generated to profitable uses. This responsibility falls squarely on leadership and it becomes so disappointing where the mass of the people have not developed a consciousness to demand accountability from their leaders in a very revolutionary manner.

Diversification: Meaning and Raison detre, Problems and Prospects.

The oxford Advance Learners dictionary defines diversification as "to develop a wide range of products, interest, skills etc. in order to be more successful or reduce risk" (Hornby; 2000:340). Applied to African development, diversification is not unconnected to the monocultural economic status to which African economies have been characterized largely resulting from colonial policies of the colonizing powers. As a development strategy therefore, it is hoped that pulling away from a single product which most African states have relied on for their domestic development to multi-products essentially of the non-oil category may turn around the fortunes of African economies and development.

Bourgeois economic theorizing of euro-imperial scholars emphasized such theories as "international division of labour" and "comparative advantage" to confine pre-industrial economies to raw materials which they exchanged cheaply to the metropolises in return for capital goods produced by the advanced industrial nations. Thus, apart from limiting the colonies to primary production, European powers also dictated to their colonial spheres cash crops to produce. If a colony for instance, could produce palm oil and palm kernel in substantial quantity for exchange, the introduction of a new crop, say cocoa, instead of diversifying the products rather narrowed the colony to cocoa production. This experience was succinctly noted by Ake (1981) when he averred that:

Instead of adding to the old sources of foreign exchange, the new commodities tended to replace some of the old ones, so that the composition of export commodities changed without achieving diversification (Ake; 1981: 54).

The point made above simply is that colonial capital encouraged monocropping of pre-industrial economies and incorporated same into the orbit of western capital as primary producers. Given the unfavourable conditions of the international market by the vagaries of international trade, the colonies make progress only when the metropolises allows for such progress. "One of the most dramatic examples" of the phenomenon described above, Ake noted, was "the replacement of palm kernels, palm oil, groundnuts, and cocoa... by petroleum in post-colonial Nigeria". By nature, primary products are subject to price fluctuations, and once this happens, countries tied to one export crop are adversely affected hence the quest for diversification.

Arising from the narrow resource base of pre-industrial economies of Africa since independence and the uncertainties of the international economic system tailored to meet the needs of industrial capital, it is feared that diversification within the same orbit may not produce the desired result. Put differently, can massive state corruption, capitalist relations of production now superintended by so-called independent African states allow the seeds of diversification to germinate on fertile soil? This fear is germane, for as Onimode (1990), has noted, where a country consumes or utilizes what it does not produce, and produces what it does not consume, or utilizes, there is structural asymmetry which give rise to excessive import and making the country vulnerable to the vagaries of capitalism. Diversification should concentrate local energies in improvising and improving local technology to translate raw materials to finished products for consumption and for exchange; local technology hand in hand with diversification should assist local industry to strengthen the manufacturing base. With diversification African dependency will be reasonably checked and progress towards self-reliance will boost economic activities all around. All of these gains are achievable only with a visionary and people oriented leadership. Trade, agriculture and manufacture hold the key to economic turn-around of pre-industrial economies. In Africa, Kenya is a good example with textiles and apparel outside the conventional trade in oil resources.

Lessons from County Experiences

The purpose here is partly to show that even without primary resources, most nation-states have attained remarkable heights in economic development and, while some others too, with only one cash crop for exports have exploited other non-material products like cultural heritage and medical tourism to advance their economic needs. The point therefore is not all about diversification but “what ado about resources” accruing from export of diversified resource base. This is where the success story of Singapore can be emulated and adopted if necessary.

Singapore like most developing nations obtained independence in 1965 after the contradictions of colonialism. The colonial experience instead challenged Singapore's leadership into efforts “for collective survival”. To this end, what may be termed “development strategies”, for Singapore are not the “conventional menu” handed down to Third World nations by the IMF and World Bank (Enor; 2016) or development based on economic categorization of strategies and plans. Long term vision, discipline, opportunity, incentives and a holistic approach which entails “meshing numerous policy areas” which advantage is to summarise and guard against errors (Ghesquiere; 2013), were the simple but difficult miracles which turned Singapore's fortunes around. Simple for Singapore but difficult for others.

Juxtaposing these magical five pillars that transformed Singapore to an enviable economy, with Nigeria which obtained independence in 1960, five years earlier, one may be tempted to ask the following questions:

- i. What long term vision does Nigeria have, when it is still struggling with consolidating the different ethnic nationalities into a modern nation state 57 years after independence?
- ii. How disciplined is the Nigerian ruling class? Singapore demonstrated discipline by hard work, “saving and investing in physical, human and social capital to reap future benefits”. What is Nigeria investing in? It is very clear there is no middle class in Nigeria, no infrastructure, quality education is zero and so on and so on.

- iii. What opportunities are created for gainful economic activity in Nigeria? The bourgeois brand of liberal democracy practiced in Nigeria has only succeeded in polarizing the gap between the wealthy and rich political class and the pauperish “working corpses’ or working class (?). In Nigeria, state governors as individuals are richer than the state and instead of investing to create opportunities they rather expand the economic base of foreign countries which have accepted to hide their loot. It is only a foolish country that may not accept to receive such large sums of money from the Nigerian to enhance its economy.
- iv. What incentives does the Nigeria leadership dish out to hardworking, transparent and honest citizens? “The Pragmatic leadership” in Singapore “realizes that humans are not saints, but social animals spurred by the yang and yin of inclusion”. Thus, it considers “welfare dependency (of the poor) and entitlement mentality (of the middle class)” (Ghesquiere; 2013). In direct contrast, the Nigerian leadership decorates the political and other elite who have successfully taken part in looting the nation's coffers and squandering collective resources in wasteful opportunism. The law penalizes petty thieves and celebrates and condone heinous crimes. Marx and Engels have stated that the ruling ideas “laws” of any age are the ideas of its ruling class (in Wilmot; 1980). One may add that if the ruling class of any age is not tailored towards fixing development needs on its agenda, diversification many only succeed in expanding the resource base for further accumulation and maximization of income for its ruling class and further impoverishment of the working class.

From the foregoing comparison therefore, it is shown clearly that colonialism has little role to play in post-colonial nation states which are determined to ward off colonial experiences. Nigeria is 5 years older than Singapore, with more primary resources than Singapore; both suffered colonialism, how then can one explain the contradictions in their development pace? “The Nigerian State”, noted a scholar, “is at crossroads and needs just (political leadership with a vision), to save her and elevate her to the status of a global political power”. For, “the ability to lead human beings aright depends on inner maturity. Even where a country is not endowed with natural resources, political leadership with a vision can creatively transform it and bring it to international attention”.

Conclusion

This paper has attempted to view diversification as a development strategy in the hands of visionary leadership. It cautions that diversification should be a home grown concept as a result of its manifold advantages to the home economy and not an imposition from outside or from development partners. If conceived as a dictation from foreign financial donors, diversification will only serve to increase the raw material demand of foreign industries without commensurate gains to the local economy which primary aim is to produce what it does not consume. Given capitalist relations of production which have not been altered in favour of primary resource production, diversification would expand the income base of the ruling class who presides over the distribution of national income at the expense of human and capital development.

The paper posits that sustainable development is a function of good governance and a leadership which can harness income from an expanded resource base to the improvement in

infrastructure and transportation, eradication of corruption, promotion of accountability and transparency and the enthronement of a genuine democratic culture which upholds the rule of law.

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