

BOOK REVIEW
ECONOMIC GROWTH AND DEVELOPMENT IN AFRICA,
UNDERSTANDINGS TRENDS AND PROSPECTS

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PERTUMBUHAN EKONOMI DAN PEMBANGUNAN DI AFRIKA,
MEMAHAMI TREND DAN PROSPEK

Chitonge, H. 2015. *Economic Growth and Development in Africa, Understanding trends and prospects*. New York, NY: Routledge. 294 pages+ xv

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In the last ten years Sub-Saharan Africa countries have undergone the longest period of sustained economic growth in the continent's history. This condition, capturing the attention of the multilateral organization, international media and academics community. The book *Economic Growth and Development in Africa, understanding trends and prospects* offers analysis of the Africa Rising narrative (ARN) from multidisciplinary perspectives. It's also offering a critical judgment of the explanations given for the poor economic growth and development performance in Sub-Saharan Africa.

In this book, the author starts with the politics of nomenclature of economic growth and economic development. A discourse on economic growth and development needs to make a clear distinction between the two terms. Economic growth is used here to refer to the increase in various economic indicators (mainly Gross National Product (GNP), Gross National Income (GNI), Gross Domestic Product (GDP), and GNP/GNI or GDP per capita). These indicators are popularly viewed as prerequisites for the broader process of development which includes economic, social, political, and cultural

transformation. Therefore, it is important from the start to note that economic growth is not equal with development. Sen (1988) argues, the social, political, economic and cultural transformation which the term 'development' embraces are not limited to how many kilometers of roads or railway have been built, or how many people have access to clean water, but it also includes changes relating to how many people are able to live lives which they value.

The book discusses development in the broader sense. The author argues a good example of this, in recent times, is the Chinese narrative. The societal wide transformation that the rapid and sustained economic growth experienced in China over the last three decades has occasioned, increased self-confidence, self-belief and self-assertion among most Chinese nationals, especially the younger generations. Economic growth has played an important role in this transformation, but it has also contributed to a broader process of social, cultural and political transformation. This is the sort of rounded transformation that the concept of development entails and goes way beyond the mere counting of goods was produced in a country.

From this perspective, Chitonge's claims that while economic growth is essential for development, but economic growth does not automatically translate into development. As has become apparent over the years, it is "possible for a country to have an expansion of GNP or income per capita, while its distribution becomes more unequal, possibly even the poorest groups going down absolutely in terms of their own real incomes" (Sen, 1988). In the chapter 7 of this book shows that a sustained economic growth averaging more than 5% per year in Sub-Saharan Africa countries over the last 15 years has not resulted in a significant reduction in poverty rate and, much less, the narrowing of the inequality gap (Gini coefficient). For instance, it is a well-known fact that a country's GDP per capita can increase without an increase in the number of people having access to basic education or clean water. Thus, while economic growth is essential for the broader transformation of society, it does not automatically translate into the wider social transformation implied by the term development. The author argues notions of transformation implied by the term development are here not given the non-linear evolutionary meaning as in the post-World War Two modernization paradigm. Therefore, the book found that Sub-Saharan African growth and development experience need not conform to any growth and development norm because the continent can develop in unique ways.

THE MARKET-ORIENTED APPROACH

One of the dominant approaches used to explain Sub-Saharan Africa's growth experience is a set of neoclassical growth theories, here referred to generally as the Market Oriented Approach (MOA). Empirical growth studies form the mainstay of this approach, and most of the explanations and findings from these studies are used as a basis for policy prescription by international donors and the development community. Though not all of the studies are conducted by the World Bank's or the IMF's staff, a majority of the studies are commissioned by these two institutions. The findings of these studies and the resulting literature have had a

big impact in academia and on policymakers and public opinion. Its conclusions have to some extent been coherent with the policy agenda as set by the Bretton Woods institutions (Jerven, 2009). As discussed in Chapter 4, Sub-Saharan Africa's growth and development experiences have been assessed primarily through this approach by mainstream economists and policy advisors. Empirical growth studies have been mostly built around the belief that cross-national time series data can reveal some unique African characteristics, which can in turn account for the puny economic growth and development trends observed in Africa. This is a popular view that justified the implementation of Structural Adjustment Programs (SAPs) during the 1980s, based as it was on the thinking that if the problems were largely caused by internal factors, then we should restructure and fix those internal conditions. Within the Market-Oriented Approach, although external factors are acknowledged, emphasis has been put on the internal causes of the crisis, hence its policy recommendations are focused on restructuring African economies and states (Brown, 1995).

THE POLITICAL ECONOMY APPROACH

Apart from the empirical growth studies, other analysts have explained the Sub-Saharan Africa's economic growth and development experience in terms of the way they relate with the rest of the world. In this thought, external factors such as terms of trade, unequal exchange, imperialism (old and new paradigm) are seen as decisive factors in understanding Sub-Saharan Africa's growth and development challenges. Broadly, within the Political Economy Approach, although there is an acknowledgement of domestic factors that contribute to an economic and development malaise in Africa, the emphasis is directed towards the external forces which undermine the continent's ability to recover and embark on sustainable growth. In this view, factors such as high inflation, a Balance of Payment (BoP) deficit, fiscal deficit, escalating debt, low productivity, overvalued currencies, high interest rates, failure to diversify the production

structure, low physical and human capital, and low technology, are seen as inescapable outcomes of Sub-Saharan Africa countries position in the global economy. Within the Political Economy framework, Africa has experienced weak growth not because the existence of any features unique to Africa, but principally because of the asymmetrical power relations between the 'core' (industrialized) countries and the periphery (less developed) countries.

THE STATE-ORIENTED APPROACH

The third dominant approach to explaining Sub-Saharan Africa's growth and development challenges is the analysis of the nature of states, public institutions and leadership in Africa. In this approach, the African crisis is largely regarded as a crisis of leadership and inadequate state institutionalization or the poor development of an effective bureaucratic state.

The book analyzed the trends of Sub-Saharan Africa's economic growth and development over the years. It looks at two institutions that play a critical role in Sub-Saharan Africa development, providing a detailed explanation of how the World Bank and the International Monetary Fund (IMF) have interpreted and dealt with the African challenges and experiences. The insightful analysis reveals that if Sub-Saharan Africa countries are rising, only 20 until 30 per cent of Africans are aboard the rising ship, and the main challenge facing the continent today is to get on board the majority of Africans who have been excluded from growth. This book is essential reading for students and researchers in African Studies, and will be of great interest to scholars in International Development Studies, Political Economy, and Development Economics.

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