

Leadership Issues in Africa

No. 2 ■ February 2013

KING'S
College
LONDON



African Leadership Centre

Elites and leadership in Africa: Is it enough to be African?

By Eka Ikpe, PhD

African elites vying for space on a global platform

The recent contest for the presidency of the World Bank had its most serious candidate ever from the Global South in the person of the Nigerian Dr Ngozi Okonjo-Iweala. A trained economist with a long and illustrious career at the World Bank, she was acknowledged widely as the best candidate for the job. Her candidacy was supported at home in Africa with the

.....
Eka Ikpe is a Lecturer in Development Economics in Africa. She teaches on the MSc Degree Programmes at the African Leadership Centre, King's College London and heads the ALC Fellowships. Eka has researched and written on a range of issues in development economics and security and development. These include: the role of the state in economic development; interaction between agriculture/mineral resources/industrialisation and economic development; state fragility and donor-aid policy; and women, peace and security; and peacebuilding, amongst others.

endorsement of the Nigerian Presidency and the African Union leadership as well as internationally by a variety of key actors across the Global South. It was also energised by Northern-based critics of the longstanding arrangement in which the leadership of the World Bank is ceded to the US, at all costs, including development economist: Jeffrey Sachs, Africanist commentator: Richard Dowden and the Economist magazine.

Several factors explain the ruckus around the long-standing agreements (among the powerful nations in the Global North) about the governance of global institutions including the World Bank, the International Monetary Fund and the United Nations Security Council. Perhaps the most resonant is the need to transform these arrangements to reflect current developments in the global political economy, best evidenced by the rising BRICS. The challenge to extant leadership structures is a way of strengthening the voices of these rising economies and the Global South as a whole. As part of this there has also been pressure for increased leadership from Africa, particularly in relation to the powerful nations of Egypt, Nigeria and South Africa.

However, the issue of representation of African interests at the Bretton Woods Institutions is not



World Bank/IMF Annual Meetings, Istanbul, Turkey, 4 October 2009. Ngozi Okonjo-Iweala, World Bank Managing Director. Photo: Simone D. McCourtie / World Bank. <https://creativecommons.org/licenses/by-nd/2.0/>

merely a nominal one, but a structural one. Of course the face of leadership is an important measure of representation but more important are the interests that are served by the leadership and their constituencies.

Our African beacon of light in the vast global sphere: Whose agenda is it anyway?

The debate on elites and their role in various spheres including the socio-economic and political has been characterized by several scholars. Useful interpretations include Marx's classic theorising of elites as controlling the state apparatus due to the ownership or control of the means of production and Amsden's (2010) simple and effective description of elites as deriving status from their relationship to physical and human capital. In this regard, a valuable conceptualization of elites in the global space comes from Leslie Sklair (Sprague, 2009:500) who postulated the existence of a transnational capitalist class. This class comprises: those who own and/or control major transnational corporations; globalizing bureaucrats and politicians; globalizing professionals; and globalizing merchants and media.

For the purpose of this commentary, the second and third categories are of particular interest. In Africa, there is an increasing conflation between these categories with members of the African Diaspora that subscribe to dominant neoliberal-driven development ideas and policies forming part of the third group i.e.

“What was most startling in this debacle was the hollowness of the reasoning behind the fuel subsidy removal from the Coordinating Minister of the Economy.”

globalising professionals. This group then returns to their home countries to pursue these agendas as part of the second group of globalising bureaucrats and politicians. Apart from Dr Okonjo-Iweala, examples include Ivory Coast's current President Professor Alassane Ouattara, formerly of the IMF and President Ellen Johnson Sirleaf, formerly of the World Bank.

I was in Italy in April 2012 when I noticed vouchers for petrol discounts by the infamous oil company, Shell, being distributed by the left-leaning daily, *La Repubblica*. My co-traveller joked that: ‘the fuel subsidies are being removed in Nigeria to finance petrol in Europe’. This comment was in reference to the widely protested policy of removing fuel subsidies in Nigeria in January 2012. National strikes led by the Nigerian Labour Congress and the ‘Occupy Nigeria’ activist group brought major cities to a standstill and saw staggering levels of civil disobedience by Nigerians from all walks of life. These forced the government to back down and revise the policy.

The great celebration of Dr Okonjo-Iweala appears to be myopic as this highly unpopular and unnecessary policy agenda was driven fundamentally by her in her role as Nigeria's Finance Minister and Coordinating Minister of the Economy. The reasons advanced for the removal of oil subsidy were taken directly from the neoliberal policy stable: Nigerians needed to pay the right prices for their petrol. This was akin to the ‘getting the prices right’ mantra of the 1980s structural adjustment period.¹ What was most startling in this debacle was the hollowness of the reasoning behind the fuel subsidy removal from the Coordinating Minister of the Economy. In an interview with Al Jazeera, she failed to describe how the vast sums of generated funds would improve economic indicators substantively.²

In her previous incarnation as Nigeria's Minister of Finance, her policy framework of choice was the National Economic Empowerment Development Strategy (NEEDS), effectively the IMF-driven Poverty Reduction Strategy Paper for Nigeria, also arguing for the direction of the economy to be left to the private sector. Mogues et al (2008: 103) have highlighted the major shortcoming of NEEDS in its lack of potential to translate policies into implementable programmes and investments. In the same dispensation, Dr Okonjo-Iweala's biggest victory was arguably Nigeria's repayment of its debts to its *Western* creditors, which has also been criticized. As Adesina (2006:24) has argued, ‘the result was a debt write-off deal that amounted to collecting in one year what it would have taken little over 7 years to collect. . . . Measured against the federal

expenditure for 2004, the upfront payment that the Paris Club was demanding would be the equivalent of nearly 10 years spending on 'social and community services'- education, health et cetera.)'

African elites and successive regimes of development policy in Africa: Is there a structural problem?

This policy direction harks back directly to the Structural Adjustment Policy era of 'getting the prices right' and Africa's intelligentsia's acquiescence to this debacle. Foremost African commentators including the distinguished Professor Adedeji have spoken directly against the African elite's role in the adoption of structural adjustment programmes. Professor Adedeji has especially referenced the damaging role of Africa's elite strongly. In Adedeji (1994) he argues that the SAP saw 'the World Bank and the IMF (whose policies approximate the collective will of the G-7 countries) [have] join[ed] with their indigenous political-economic compradors to unravel many of the major achievements of the first decade of Africa's postcolonial history' as the drastic cuts in public spending on education, health care, infrastructure necessarily impeded development goals.

When the debate is taken to the continental level we have cause for concern yet again. The New Partnership for African Development (NEPAD) was heralded as the quintessential African solution to African problems. This description is based on the fact that it was driven by African leaders in what has been observed

widely to be a renaissance period, with the nominal opening up of political spaces that was accompanied by a splurge of 'democratic' governance following extended periods of military dictatorships and other oppressive governance systems including apartheid. It is laudable that African political elites composed and advocated an agenda for Africa's development and recognized the significance of African leadership (even if nominally) of such an agenda. However as Taylor (2006) has noted the global acceptance of NEPAD is predicated on its fit within the dominant neoliberal discourse and reluctance to engage the failings of structural adjustment programmes. Furthermore he highlights the gain to the African political elite as follows: 'the leading African elites promoting NEPAD have gained the North's seal of approval regarding their outward commitment to liberal democracy and market economics, and are held up as models from which the rest of the continent should learn.' (Taylor, 2006:63).

Can we find anything to celebrate?

Highly educated and enlightened African elites are now more than ever core members of the transnational system that is coalesced around public and private global institutions as well as global communications, financial, political and social networks. The stakes are very often higher within this elite system than within nationally-based systems. As such, when choices must be made it is no surprise that kudos within the elite system can take precedence.

As an African feminist I am delighted to be in a space where an African woman was considered seriously for the most senior job in global development policy. In government, Dr Okonjo-Iweala is to be applauded for her dogged attempts to challenge gross generalizations about corruption simply being 'Africa at work'. Interestingly she is doing this within the very same 'state' much vilified by neoliberal ideology. She has made an important step on the role that women and Africans must play in the global space. Nonetheless, we must recognise that there remains much work to be done.

There is no doubt that African elites must engage the global political economy forthrightly. It is only here that one can negotiate a space for Africa in an increasingly globalised world. However, these elites must reflect on domestic contexts honestly. Given the challenges faced by the continent it is essential that they examine dominant intellectual positions and policy frameworks critically. Rather than continue blindly, they must return to prioritising the lived experiences of Africans as legitimate sources of knowledge and as the basis for socio-economic and political policies in Africa. ■

Endnotes

- 1 This reference is significant given Dr Okonjo-Iweala's long career at the World Bank where she rose to the position of Managing Director in 2007 before her return to Nigeria as the Finance Minister and the Coordinating minister of the economy in 2011.
- 2 Al Jazeera interview with Dr Ngozi Okonjo-Iweala during January 2012 'Occupy Nigeria Protests' Al Jazeera, January 9 2012. <http://www.youtube.com/watch?v=52Wurs15q7k> [accessed October 15 2012].

References

- Adedeji, A., 1994. An Alternative for Africa. *Journal of Democracy*, 5(4), p.119–132.
- Adesina, J., 2006. Development and the Challenge of Poverty: NEPAD, post-Washington Consensus and Beyond. In Adesina, J., Graham, Y. and Olukoshi, A. Eds. *Africa and Development Challenges in the New Millennium*. London: ZED Press.
- Amsden, A., 2010. Elites and Property Rights *UNU-WIDER Working Paper* No. 2010/109
- Mogues, T., Morris, M., Freinkman, L., Adubi, A., & Ehui, S., 2008a. *Agricultural public spending in Nigeria*, International Food Policy Research Institute (IFPRI).
- Sprague, J. 2009. Transnational Capitalist Class in the Global Financial Crisis: A Discussion with Leslie Sklair, *Globalizations*, 6: 4, 499–507
- Taylor, I., 2006. NEPAD and the Global Political Economy: Towards the African Century or Another False Start?' Adesina, J., Graham, Y. and Olukoshi, A. Eds. 2006. *Africa and Development Challenges in the New Millennium*. London: ZED Press. pp. 63–85.

Leadership Issues in Africa examines contemporary issues affecting peace, security and development on the continent through a leadership lens.

The **African Leadership Centre (ALC)** was established in Kenya in June 2010 as part of a joint initiative between King's College London and the University of Nairobi. Its overall goal is to build a new community of leaders generating cutting-edge knowledge for peace, security and development in Africa. To that end, it works to build the capacity of individuals, communities and institutions across Africa which can contribute to peace and stability.

Jacaranda Avenue, PO Box 25742, Nairobi
+254 (0) 20387022500603
info@africanleadershipcentre.org

Strand Campus, Strand, London, WC2R 2LS
+44 (0) 2078481984
alc@kcl.ac.uk

www.africanleadershipcentre.org