

Limitations and Movement of the Economic Growth of Africa's: Lessons from Asia

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ABSTRACT

Evidently, the African continent is blessed with immense natural resources. However, the abundant resource has not translated into economic prosperity and better condition of living in tandem with the bounteous resources. Available data projects a weak and fluctuating economic growth over the years in comparism with the Asian continent that has similar history. In this paper we chronicle the paradox of weak economic performance in Africa with hindsight on history, theory and the challenges of economic growth and development in Africa, modest effort is also made to highlight the policy initiative of Singapore, China and India as case study to fast-track the pace of economic growth and prosperity in Africa. The paper winds up with policy recommendation for a vibrant and convergent economy.

Keywords: *Economic Growth; Economic Development; Poverty; Africa; Developing Countries*

Introduction

The importance of economic growth and development in the life of a nation cannot be overemphasized or blown out of proportion. This is premised on the fact that economic growth is the most potent instrument for reducing poverty and improving the quality of life, particularly in developing countries (DFID). The weightiness of growth has made the emphasis of macroeconomic discourse revolve around economic growth. As observed by (Fosu, 2002; Ramirez, Ranis, & Stewart 1998) steady economic growth is critical for faster progress, in the long run it transforms to human development. In recent years, development economics has centered primarily on the poorest bloc of the world's population. Available statistics bring to light that the poor constitute the vast majority but not all of the population of developing countries which account for 82 per cent of the world population, overwhelming majority of which is in Sub-Saharan Africa, South-Asia and East Asia (Nafziger, 2006). The magnitude of poverty and the dimension of slow economic growth and development has stirred different policy initiative, investigation and collaborative efforts globally to halt the scourge of poverty, inequality and underdevelopment. Literature on economic growth and development is packed and brimful with diverse cogitation and thesis. Without any wavering, one of the greatest fuss

the world is confronted with is the teething problem of poverty rooted on unhealthy economy and underdevelopment. Though poverty is a universal challenge the rate at which it permeates different climes of the world varies. In view of the perceived need for a more equitable world, the Millennium Development Goals (MDGs) initiative came to be. Thus, there is a concerted effort globally by international organizations, NGOs, government of nations, transnational and multinational corporations to reduce poverty and spur economic growth and development particularly in third world countries where Africa has on record the highest number of developing countries.

With the above premise, it is evident that poverty has levels just as development and underdevelopment has stratum. poverty pervasiveness in a continent or polity projects lack of opportunities and development. It is an established matter of fact that one of the greatest challenge confronting the African continent is fumbling and wobbling economy culminating into underdevelopment. In the words of Bloom and Sachs (1998), Africa economy stick out an obdurate feature of the world economy. Development scholars have written enormously and berated the tardy state of economic growth and development in Africa owing to the immense natural resources the continent is blessed with. The inability of country's rich in natural resources to harness the abundant resources within the domain of their respective nations to fast-track development particularly in Africa have birthed debates and thesis tagged the 'resource curse' called in some quarters 'the Paradox of Plenty' (Ross,2015; Venables,2016; Stevens,2003). The dismal failure and unyielding development strategies at development by African leaders have engendered numerous write-ups, study, and disquisition. In Panford (2017) insightful essay, the scholar perspicaciously observe that Africa economic reality and underdevelopment is a flummoxing paradox. African Development Bank(2007) perceptive publication on the 'Paradox of Plenty' also unearth the Achilles' heel of economic growth and development in Africa despite the immense natural resources. It is worthy to note that African continent has seen a fairly economic growth performance over a decade(Mckay,2013), however, the leap and reinvigorated growth still remain slow compared to countries of the world like Korea, Singapore, Brazil, Malaysia and a host of other countries that got independence around the same era with African states. This study periscope the tide of economic growth in Africa and the attendant challenges at achieving steady economic growth in the continent. The paper employs qualitative research methodology. Data are sorted out via secondary source from books, journal articles, report and working paper series.

Conceptual and Theoretical Aperture

In the context of this write-up, there is need for a semantics of two key words. Economic Growth and Economic Development for clarity sake as the two terminologies are used fungibly. Subsequently, we will explore relevant set of theories to demystify the achilles' heel of economic growth and development in Africa.

Economic Growth

Economic growth is an increase in the productive capacity of an economy with a resultant effect of which the economy can produce additional quantities of goods and services. Economic growth therefore is synonymous with an increase in the general standard of living as standard of living is measured by the quantity of goods and services available to us (Palmer, 2012). Traditionally, aggregate economic growth is measured in terms of Gross National Product (GNP) or Gross Domestic Product (GDP), although alternative metrics are sometimes used (Investopedia).

Economic Development

Economic growth and development are used interchangeably in a loose sense by people. However, in terms of semantics there is a thin difference between the two concepts. The term economic growth has been defined above. What then is economic development? Economic development depicts economic growth accompanied by changes in output distribution and economic structure. These changes may include an improvement in the material well-being of the poorer half of the population; a corresponding increase in GNP share of industry and services; an increase in the education and skills of the labor force; substantial technical advances originating within the country (Nafziger, 2006).

Theoretical Perspective on Economic Growth and Development

Incontrovertibly, theories are the motor of social science research. As Ojo (2014) submit, theories are the backbone and bound edge of social science research. Economic analysis on models and theories of economic growth in the context of this write-up cannot be done without mentioning the cerebral and sharp-witted contribution of great economists like William Petty, Adam Smith, Karl Marx, Robert Torrens, George Von Charasoff, John Von Neumann. They laid the foundation upon which others are building on (See, Kurz and Salvadori, 2003). Earlier work on theories of economic growth can be traced to the insightful economic growth model analysis of Harrod (1939); Domar (1946) that centered on accumulation of capital, labour and other sources with diminishing returns as the major cradle of growth. From that era literature on economic growth has been revised by different intelligentsia and now loaded with corpulent theories. As stated above, in economic development literature, there are quite a few model and theories that can be delve into in explaining the fling at development in Africa. Different theories were advanced for developing economies thinking. Theories in extant literature are classified as either classical growth theory or modern growth theory (Salvadori, 2002). In the course of this study we will explore few of the theories/thought out of the numerous theory of economic development relevant to the understanding and analysis of economic developmental effort of developing countries. Modest effort will be made to review linear stages of growth models; structural change model; international dependence model, neoclassical counter-revolution models, new growth theory and theory of coordination failure.

Classical Growth Theories

Stages of Economic Growth Model

The stages of economic growth model was brought to lime light by the popular American economist Walt Rostow (1960) and Harrod–Domar (Todaro and Smith, 2009). The early model centered on the import of massive injection of capital to achieve fast GDP growth rates (Dang and Sui Pheng, 2015). This model is one of the early model of economic development after the Second World War .The model revolved around the historical pattern of developed countries. The stages of growth model according to Rostow (1960), hypothecate that development is in phases (stages). In other words, transition from underdevelopment to development would take five stages:

1. Traditional Society
2. Preconditions for Take-Off
3. Take-Off
4. Drive to Maturity
5. Age of High Mass Consumption

As (Ghatak, 2003) Stated, Harrod–Domar Model stress and illuminate investment in the economy just like Rostow’s Stages Of Growth Model. He opined that for underdeveloped countries to develop they need reasonable capital for investment to achieve a targeted growth rate. A major lapse of this model is their oversimplified supposition for all developing countries (Adelman, 2000).

Structuralist School of Thought

The Structuralist School Of Thought is a Western developed thought, opposed to the classical and neoclassical proposition, they promoted the view that developing countries needed to copy the industrial structure of the high-income countries. Structuralists believed that structural rigidity in developing countries would prevent the process of industrialization, and that self-sustained growth could not have been achieved without government interventionist policies (Lin & Rosenblatt, 2012).

International Dependence Model

The International Dependence Model is seen as an off-shoot of Marxist theory. The model the theorist postulate is that developing countries remain undeveloped because of the dominance of developed countries over developing countries. The benefits that accrue to developing nations is said to be very meagre in comparison to what the developed countries get (Hein, 1992). The expansion of International Capitalism and the influence of multinational corporations are said avenues through which developing countries are further exploited and they through that remain appendage of developed countries. There is unequal exchange in terms of trade with developing countries, thus free trade is therefore a vehicle of exploitation by the developed countries (Dos Santos, 1973). To the theorist, Developing Countries should break up economic ties with developed countries in order to develop (Ferraro, 2008). The misprision of the autarky model was evidently seen as some developing countries e.g. Tanzania experienced stagnant economic growth, thus engendering opening up their economies once again (Todaro and Smith, 2009).

Neoclassical Counter-Revolution Model

Neoclassical counter revolution model came to light to counter the international dependency model. Neoclassical counter revolution economist employed three approaches, the free market approach, the new political economy approach and the market-friendly approach. Economic theorist contends that underdevelopment in developing countries was somewhat caused by domestic issues relating to state policy and intervention like resource allocation, government-induced price distortions and corruption (Meier, 2000). Little (1982) indite the need for states to promote free market, eliminate government distortion associated with protectionism and public ownership. Another variant of neoclassical thought model is called the traditional neoclassical growth theory rooted on Harrod Domar and Solow Models. Solow neoclassical growth model stress the importance of three factors of output growth: increases in labour quantity and quality (via population growth and education), increases in capital (by savings and investments) and improvements in technology-endogenously (Solow, 1956). The free market initiative, liberalization and privatization that became the core of development agenda didn't stimulate economic growth as expected. Several African countries only got an average growth rate of only 0.5 % per year (World Bank, 2000).

Modern Growth Theory New Growth Theory

The New Growth Models are a theory that promotes the role of government and public policies in complementing investments in human capital formation and the encouragement of foreign private investments in knowledge-intensive industries such as computer software and telecommunications (Meier, 2000). The new growth theorist opined that economic growth can be stimulated from increasing returns through use of knowledge rather than labor and capital. Investments in knowledge creation therefore are conceived to be important to bring about sustained growth (Aghion, and Howitt, 1992). The theorist argues that the higher rate of returns as expected in the Solow model is greatly eroded by lower levels of complementary investments in human capital (education), infrastructure, or research and development (R&D). Investments in knowledge creation are stressed as pretty significant to bring about sustained growth. Unlike the Solow Model that considers technological change as an exogenous factor, the new growth model notes that technological change has not been equal, nor has it been exogenously transmitted in most developing countries (World Bank, 2000).

Theory of Coordination Failure

The Theory of Coordination Failure became popular in the 1990s through the early 2000. The theory is widely used by development economists in analysis of a case for industrial policy (Rodrik, 2004). According to the theorists, underdevelopment is said to be as a result of coordination failures. Quoting copiously from Glavan (2006:2) he opined thus:

The central pillar of the literature on coordination failure is the idea that economy can fail to achieve coordination among complementary activities. Coordination failure leads the market to an outcome (equilibrium) inferior to a potential situation where resources would be correctly allocated and all agents would be better off.

Cooper and Andrew (1991) weighed in that coordination failure happens when firms could achieve desirable equilibrium but fail to because they do not coordinate their decision making. To Dang and Sui Pheng (2015) coordination failure among diverse individuals can make the economy to have multiple equilibria, in which not all are good or desirable for the economy. To Hoff and Stiglitz (2000:390) interaction of these slightly distorted behaviours may produce very large distortions. The theory emphasized complementarities of several conditions for economic development to take place. The perceptive work of Nurkse (1953) and Hirschman (1957) illuminate the very important role of the government to solve the problem. In other words governmental intervention can catapult the economy to an optimal equilibrium. The theorist recommended a “Big Push” Policy i.e. a Public-Led Massive Investment Program which can cause complementarities. Hirschman (1957 cited in Glavan, 2007:4) added that developing countries also lack managerial and entrepreneurial abilities. Thus, the optimal policy should have as a goal unbalanced development, investments concentrated in major sectors with significant external effects, which can facilitate and promote investments in the rest of the economy. The disappointing result Of Big Push Policy led to the repudiation of the policy just like other early development models. However, development economist have made a comeback to emphasizing the relevance of the big push policy. The adoption of the Millennium Development Goals (MDGs) by the United Nations lend credence to this (U.N. 2005, P. 19).

Paradox of Slow Economic Growth in Africa

The continent, Africa is endowed with immense and good-sized natural resources. Abundant deposit of resources on the continent include oil and gas, diamonds, gold, silver, iron, cobalt, uranium, copper, bauxite etc. In Samuelson & Nordhaus (2000) words, economist sees natural resources as one of the four determinants of economic growth; others include human resources, capital goods and technology. Kurečić & Seba enunciated that natural resources are an important source of national prosperity. As documented abinitio in the introductory section, the over 50 countries that make up the continent has continue to flounder in poverty and battle with slow economic growth despite the immense resource. The slow economic growth experienced in developing countries with abundant natural resources particularly Africa has engender the resource curse thesis. The natural resource curse or the paradox of natural resources according to Torres, Afonso, & Soares (2013) well-grounded paper depicts that a country resource can be termed a resource curse when empirical result shows a negative relationship between the wealth of natural resources and economic growth. Bounteous natural resource is said to be a curse if a country cannot utilize or make use of available natural resources to stimulate economic growth, prosperity of the nation and better living condition of the citizenry. This is the case with Africa. The “Paradox of Plenty” has engendered academic debate. Scholarship on whether abundant natural resource can be an economic curse or blessing has opened up numerous inquisition and thought.

In Jeffrey Sachs And Andrew Warne (1995) popularized study with coverage of 97 countries between 1971-89, they document that economic growth rate of natural resource exporters are lower in comparison to countries with no abundance of natural resources. Invariably, the authors see a relationship between abundance of natural resource and poor economic growth. The popular explanation that buttresses this submission going down memory lane is the 'Dutch Disease', connected with the hardship that Netherlands experienced after discovery of the North Sea Gas. Thereafter, counter thesis close in. Other writers equated the resource curse to the herculean task of lottery winners in managing the concomitant effect of new-found wealth to spur economic growth (Center for Global Development, 2015; Coll, 2012). Ragnar (2009) articulated that the successes or failures of a country or government can be attributed to a host of factors and not necessarily whether the country is blessed with natural resources or not. Factors highlighted include the system of government, quality of institution, type of resources and early vs. late industrialization etc. Be that as it may, the Resource Curse Thesis or Paradox of Plenty is being invoked in this paper as a result of the fact that most Africa countries have failed to maximize the bountiful available natural resources they are endowed with to better the life of the populace. Taking a cue from the oil sector, it is evident that Africa has quite a number of countries making huge revenue from the upstream oil production and oil reserve. These countries include Nigeria, Angola, Algeria, The Democratic Republic Of The Congo, Equatorial Guinea, Libya, Gabon, Sudan and South Sudan, Egypt, Congo, Cameroon, Tunisia etc. According to Carpenter (2015), the African continent is home to five of the top 30 oil-producing countries in the world. Appendix 1 give a vivid picture of the diverse resources African countries are blessed with on country basis. From the foregoing, it is clear that Africa is rich in terms of resources but poor in term of economic prosperity. Thus, the weak economic performance, and low standard of living in Africa is a paradox, not in tandem with the resources available.

Historical Development of Africa's Economic Growth

History is important, being a bridge between the past and present and chart a path into the future (Ojo, 2014; Ojo, 2016). Africa's economic history beam a fluctuating and unsteady picture. The second most populous continent has experienced two epoch of growth: one between 1961 and 1975 and a second from 1995 to the present. Africa experienced sustained growth in the 1960s and 1970s put at above 5% in many cases (European Parliament, 2016). From the foregoing, it is evident that African economies grew slightly faster during the first decade after gaining independence. The average growth rate of the population-weighted incomes per capita for these 41 SSA countries in the early 1960s exceeded those of the other 57 developing countries. During the period 1960-74, some African countries exceeded the developing country average growth rate. For example, Botswana, Côte d'Ivoire, Gabon, Kenya, Lesotho, Mauritania, Malawi, Namibia, Nigeria, Seychelles, Togo, Tanzania, and South Africa. Many development and growth researchers and observers were more optimistic about progress in Africa

compared to Asian countries, particularly because countries like Ghana, Zambia and Côte d'Ivoire already had per-capita incomes that exceeded those of East Asian countries, including Korea. (Ndulu, et al 2007). However, in between the periods there was economic stagnation. Thus, the growth ended abruptly with the 1979 oil crisis (European Parliament, 2016). As (Ndulu, et al 2007 & Rodrik,1998) observed a distinct characteristic of Africa's long-term growth experience is its historical prolonged contraction of growth for two decades i.e. 1970s–mid 90s, a period between the moderately high growth rates of the 1960 to 1990s. The global crisis of the 1970s took a great portion of the African continent into a complete contraction, this period began with some external shocks like a fall in petroleum prices and commodities for exportation.

This led to growth stagnation, and it lasted long for the group of 37 African countries classified as low-income countries, compared to the 14 lower and upper middle-income countries in the continent. For the periods 1960–2004, per capita income grew at a yearly average of 0.5% in the 41 Sub-Saharan African (SSA) countries compared, to 3% in the 57 countries of the rest developing regions (Ndulu, et al, 2007). The turn of the Millennium saw African economies exhibit resilience as some of its countries emerge as one of the fastest growing economies in the world(European Parliament,2016).Summarily put, there was a rapid revival of economic growth in Africa, between(1994–2004), 20 countries' per-capita income grew at a pace exceeding the developing country average due to the effective exploitation of natural resources.(World Bank,2017). The resilient nature of the economy made African countries to survive the 2008 global financial crisis (European Parliament, 2016). The booming economy led to the 'Africa Rising Narrative' from 2011 (See The Economist, 2011; Time Magazine,2012). The Rising Africa Narrative coinage is as a result of the surge in economic growth in Sub- Saharan Africa, rising income, swelling middle class, improvement in governance and rapid social change experienced particularly in 2000 upward (Fabricius, 2015; Johnson, 2015).In 2013,the growth rate of Africa economy was 5.6% making Africa economy the world's fastest-growing continent economic wise at 5.6% a year(Oliver,2013). The Following Table Pictured Human Development By Regions

Table 1: Human Development by Levels And Region

	1980	1990	2000	2005	2009	2010	2011
Very high human development	0.766	0.81	0.858	0.876	0.885	0.888	0.889
High human development	0.614	0.648	0.687	0.716	0.734	0.739	0.741
Medium human development	0.42	0.48	0.548	0.587	0.618	0.625	0.63
Low human development	0.316	0.347	0.383	0.422	0.448	0.453	0.456
Arab States	0.444	0.516	0.578	0.609	0.634	0.639	0.641
East Asia and the Pacific	0.428	0.498	0.581	0.622	0.658	0.666	0.671
Europe and Central Asia	0.644	0.68	0.68	0.695	0.728	0.744	0.731
Latin America and the Caribbean	0.582	0.624	0.68	0.703	0.722	0.728	0.731
South Asia	0.356	0.418	0.468	0.51	0.538	0.545	0.548
Sub-Saharan Africa	0.365	0.383	0.401	0.431	0.456	0.46	0.463

Source: Gumede (2013: 490).

The above table on Human Development by levels and region (1980-2010) reveals that Sub-Saharan Africa's Human Development Index (HDI) is comparatively the lowest even to regions like South Asia, Latin America and the Caribbean. Though the economic growth rate is on the surge, it is clear that more needed to be done on the overall well-being of the citizenry in the African region. Thereafter, the 2013 economic surge, fiscal situation deteriorated, and the region experienced 'twin deficits'(current account deficit and government budget deficit) due to fall in price of oil (Oxford Analytical Daily Brief, 2014). World Bank report on SSA in 'Africa's Pulse', further lay out economic slowdown in Sub-Saharan Africa, as growth decreased in 2015 to 3.7% from 4.6% in 2014 due to dropping commodity prices and unfavorable global financial condition(Africa's Pulse,2015). The following graph expounds the fluctuating economic performance of Sub-Saharan African countries.

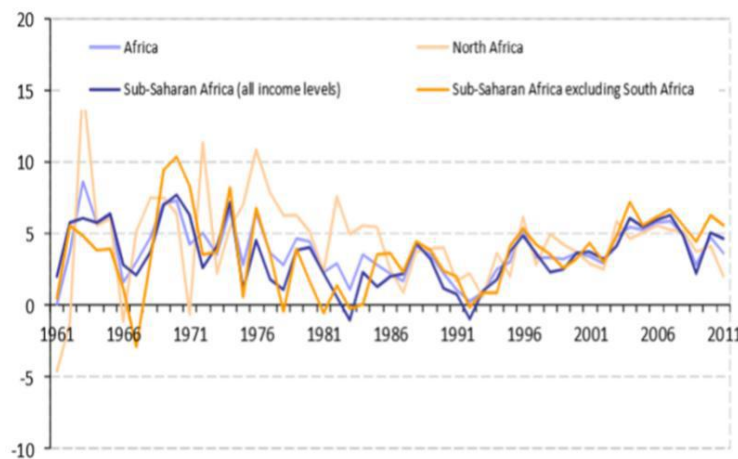


Figure 1 GDP Growth (1961-2011)

Source: World Bank, Africa Development Indicators, 2013.

The above figure (figure 1), a representation of gross domestic product growth in Africa from 1961-2011 shows that economic growth has been fluctuating, weak and unsteady from 1961. Furthermore, World Bank Report (2017), shows that economic growth in Sub-Saharan Africa rebounded in 2017 after registering the worst decline in more than two decades in 2016. However, the recovery remains weak, with growth expected to rise only slightly above population growth. Nigeria, South Africa, and Angola, the continent's largest economies, are seeing a rebound from the sharp slowdown in 2016, but the recovery has been slow due to insufficient adjustment to low commodity prices and policy uncertainty. Furthermore, several oil exporters in the central African economic and monetary community (CEMAC) are facing economic difficulties (World Bank, 2017). Some countries like; (Côte d'ivoire, Ethiopia, Kenya, Mali, Rwanda, Senegal, and Tanzania) continue to exhibit economic resilience, supported by domestic demand, with annual growth rates above 5.4% in 2015-2017. these countries house nearly 27% of the region's population and account for 13% of the region's total GDP. (World Bank, 2017).

Lesson from Asian Economies

Africa and most Asian countries have similar history of colonialism, and wobbling economy. Thus, after independence from the shackles of colonial rule, quite a number of Asian and African countries put in place structures and came up with policy initiatives to fast-track economic growth and development. After independence, economic growth data depicted that African growth performance was better than that of Asia in the early years of independence. However, over the years, Asian countries experienced a steadier and higher economic prosperity in comparison to Africa that once was ahead of the Asian countries. In present day Asia, we now have developed countries and to be developed countries, that has become the envy of the world with their policy initiatives and development stride. This section is dedicated to unveiling the growth path of the economic giant and developed countries in Asia. Asia has great countries like Singapore, Korea, Japan and China, India, Malaysia are also countries worth mentioning. In the context of this paper we will dig into the growth initiative of Singapore, China and India as lessons for Africa countries.

Table 2: Sources Of Growth, Regions, 1960-2003

Region/Period	Output	Contribution of:			
		Output per Worker	Physical Capital	Education	Factor Productivity
World (84)					
1960-2003	3.82	2.26	1.00	0.33	0.91
1960-73	5.10	3.42	1.22	0.31	1.85
1973-90	3.41	1.68	0.89	0.40	0.38
1990-2003	3.09	1.88	0.93	0.27	0.67
Industrial Countries (22)					
1960-2003	3.36	2.23	0.95	0.31	0.95
1960-73	5.16	3.86	1.34	0.32	2.16
1973-90	2.79	1.53	0.75	0.38	0.39
1990-2003	2.31	1.55	0.84	0.22	0.49
China (1)					
1960-2003	6.91	4.97	1.86	0.36	2.68
1960-73	3.40	1.21	0.30	0.37	0.53
1973-90	7.55	5.24	1.95	0.41	2.80
1990-2003	9.70	8.51	3.32	0.29	4.72
East Asia less China (7)					
1960-2003	6.52	3.81	2.23	0.53	1.02
1960-73	6.92	3.94	1.86	0.48	1.55
1973-90	7.20	4.26	2.65	0.61	0.95
1990-2003	5.24	3.12	2.05	0.47	0.58
Latin America (23)					
1960-2003	3.70	0.95	0.54	0.36	0.05
1960-73	5.97	3.09	0.90	0.29	1.88
1973-90	2.83	-0.18	0.56	0.44	-1.17
1990-2003	2.61	0.33	0.14	0.34	-0.16
South Asia (4)					
1960-2003	4.63	2.44	1.02	0.35	1.05
1960-73	3.41	1.31	1.00	0.29	0.02
1973-90	5.02	2.82	0.84	0.37	1.58
1990-2003	5.34	3.10	1.29	0.40	1.38

Source: Bosworth and Collins (2003)

Region/Period	Output	Contribution of:			
		Output per Worker	Physical Capital	Education	Factor Productivity
Africa (19)					
1960-2003	3.20	0.60	0.43	0.28	-0.11
1960-73	5.14	2.73	0.93	0.16	1.62
1973-90	2.28	-0.48	0.41	0.27	-1.16
1990-2003	2.48	-0.09	-0.05	0.40	-0.44

Source: Bosworth and Collins (2003)

The Case of Singapore

Singapore has been a model for developing countries globally. The rapid economic transformation of Singapore is the most laudable of all developing countries and even enigmatic. Undoubtedly, the economic transformation of the country has spurred diverse study by researchers, policy makers, and a host of other stakeholders. Singapore shows a contrast to slow economic growth and development in the list of developing economies. Singapore got independence from the federation of Malaysia in 1965, the hope of surviving and prospering as nation then seems bleak due to paucity of natural resources, no hinterland, and no industry. They solely depended on the outside world not just for food and energy, but even water. More worrisome is unemployment, close to 9% (Menon, 2015). The secret of this swift and steady growth rate is attributed to two strategic decisions made by the government first was a shift away from import-substitution in favor of export-led industrialization. The second was to attract global multinational corporations as vehicles to achieve industrial growth. The government developed industrial land, put in place infrastructure facilities, reformed labor laws to promote industrial peace, and invested in basic education with emphasis on technical skills relevant to industrialization. The Economy was at full employment and it was clear that Singapore had to move up the value chain towards more capital-intensive and skill-intensive activities. The economy grew by an average of about 10% each year during this period, and Singapore emerged as a newly-industrialized economy at the forefront of developing countries (Menon, 2015).

Huff (1997) did a sapient study on the rapid economic transformation of Singapore's economy. He unearth the mechanisms behind Singapore's economic growth by coming up with the characteristics of the Singapore economy. The characteristics to him include: sustained rapid growth; strong export orientation; high savings and investment; low inflation; small government consumption; and fundamental structural transformation. Huff went further to figure out four lessons in Singapore's economic transformation. They are: a stable macroeconomic framework conducive to growth; tax incentives in a world of mobile capital i.e large capital accumulation to raise living standards; targeted human capital development; and infrastructure provision(Huff, 1997). Coe, Helpman, and Hoffmaister (1997) observed in their study that, an economy can greatly profit from increase research and development base on its stock of human capital, as well as its integration with technology leaders through trade and FDI.

The Case of China and India

China and India are countries worthy of mention, they are also key players in the developing world growth just like Singapore. Data on China and India economic growth set out swift growth and development. China and India were countries known to be poorer than SSA countries. But today china and India economy soars they are countries with data of the fastest growing economy over the years.

Table 3: Annual Per Capita Growth Rates According to GDP Measures

Region	1960-80 period		1980-2000 period	
	1993 PPP	National accounts	1993 PPP	National accounts
East Asia	2.85	2.59	6.12	6.57
South Asia	0.55	1.11	3.00	3.42
Asia	1.98	2.02	4.86	5.29
China and India	1.74	1.84	5.75	6.11
Sub-Saharan Africa	1.29	0.85	-0.58	-0.29
Middle East and North Africa	3.21	2.73	0.15	1.22
Latin America	3.13	3.15	0.08	0.53
Developing world	2.12	2.07	3.11	3.60
Developing world, excluding China and India	2.51	2.33	0.69	1.18
Eastern Europe	4.03	4.04	-1.88	-1.43
Nonindustrialized world	2.32	2.27	2.84	3.33
Industrialized world	3.27	3.34	1.55	2.00
World	2.50	2.48	2.65	3.12

Sources: World Bank, World Development Indicators, 1998, 2001; (In Maddison, 2001)

From the above table it is evident that China and India annual per capita growth rates according to GDP measures between 1960 and 2000 has been swift compared to other developing world. China economy has continued to grow for most part of years after the introduction of the economic reform in 1979. it is on record, from 1979 to 2016, that annual real GDP averaged 9.6%. This connotes that on average China has been able to more than double the size of its economy in real terms every eight years. Economists attribute China's rapid economic growth to two main factors: large-scale capital investment (financed by large domestic savings and foreign investment) and rapid productivity growth (Morrison, 2018). Making reference to the World Bank, China is said to have "experienced the fastest sustained expansion by a major economy in history and has lifted more than 800 million people out of poverty" (World Bank, 2017).

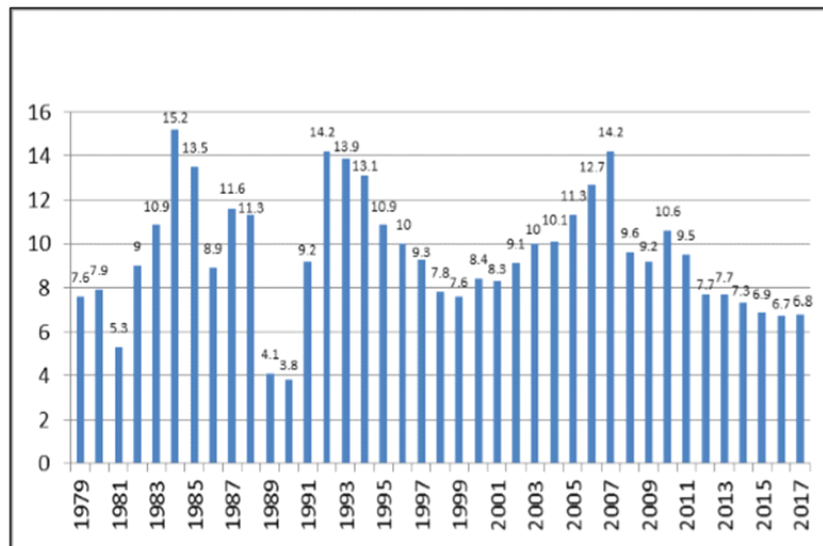


Figure 2. Chinese Real GDP Growth: 1979-2017 (Percent)

Source: IMF, And Chinese National Bureau of Statistics.

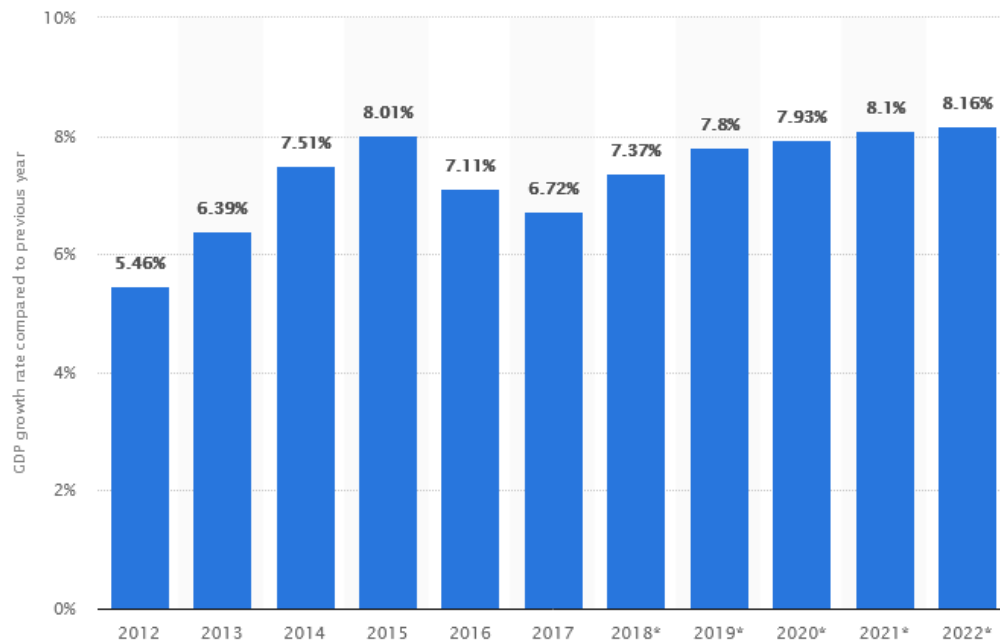


Figure 3. GDP Of India: Growth Rate From 2012 To 2022

Source: Statista, The Statistics Portal

Both figure 2 Chinese Real GDP growth: 1979-2017 and figure 3 GDP of India: growth rate from 2012 to 2022 typifies a reasonable surge in Gross Domestic Product of China and future projected growth for India. According to Ross(2015) World Bank data shows that China's per capita GDP growth was 6.4 Percent and India's 6.3 percent. To him, both China and India are growing far more rapidly than Africa and the western economies. He further document that China and India has similar pattern of economic growth while the US, EU and Japan are experiencing slow growth. He also noted that the two countries recorded the fastest growth rates for any major economies. China and India propel the most rapid rates of growth of household and total consumption. The two fastest growing economy are both being driven by rapidly rising state investment, with private investment playing a less significant role(Ross,2015).The lesson for African countries and leaders from china and India is that the state has a crucial role to play for upscale economic growth irrespective of economic system in place.

Challenges of Economic Growth and Development in Africa

The history of African economies beams a picture of slow and erratic performance. Though the continent is rich in natural resources, there is no rapid economic growth and development. Available data on economic growth in Africa of recent reveals a surge in the growth rate of the continent. The said growth is low, relative to the potential, not consistent and fluctuating, making Africa not to be at the same level with a number of Asian countries they got independence around same time. What then

are the challenges of sustained economic growth in Africa or better put, what are the predisposing factors to slow economic growth in Africa? The daunting task at sustained economic growth and development in Africa are quite a few. There is numerous robust arguments on the Achilles' heel of development in Africa owing to the ideological leaning of scholars. According to Ake (1996) a radical scholar, underdevelopment of the African continent is connected with the historical and colonial forces that informed the origin of countries within the continent. Onimode (1988) also corroborated this. They equated the high level of underdevelopment of the state in Africa with the inequality that is evidenced in trade, finance, investment and technology, international division of labour etc. using the Marxist and dependency theories. Bad policy choices and growth strategy is also one of the challenge hampering economic growth in Africa. Though the continent has different states within it-middle income country, resource rich country, resource poor countries and failed state, making growth experiences varied, however what is peculiar is extreme instability of growth (Ndulu, et al,2007).

African countries at different time have employed diverse development strategies as highlighted in the theoretical section to fast-track economic growth and mitigate poverty. Most of the development strategies were designed by external interlocutors some of the called development strategies include structural adjustment programmes, poverty reduction strategy papers, highly indebted poor countries initiative etc. Though they had their little impact, however, most of the strategies for socio-economic development did not yield the expected result. One of the most contentious economy initiative is the structural adjustment program (Gumede,2018) African countries assented to the Bretton woods institutions initiative of Structural Adjustment Programme in the 80s as a model to fast-track economic growth and development. However, the Structural Adjustment Policy said to be an engine of economic growth by IMF and the World Bank made Africa economy worse off. The implementation of the Structural Adjustment Program (SAP) in the 1980s by Sub-Saharan Africa government, gave IMF and the World Bank room to hold sway in deregulating and privatizing state enterprise. This also culminated in reduced government spending, led to huge debt, devaluation of currency etc. Huge debt owing to borrowing had adverse effect on economic growth of Africa countries.

Conzato (2002) observe that external debt owed hampered economic growth and made effort at reducing poverty unachievable. Though, the policy has its attendant benefits, as documented in Calderón and Poggio (2010) insightful write-up, the era remains one of the toughest period economically for African countries. Another constraint to steady economic growth in Africa is weak institutional capacity (Ndulu, et al., 2007). Public institutions in Africa are very weak. Acemoglu and Robinson enunciated that the main reason Africa is so poor is as a result of poor institutions, thus resulting in negative interacting economic and political incentives. He further stressed that property rights are insecure, markets fail to function adequately, political systems are incapable of providing basic public goods, and also states are weak (Acemoglu and Robinson, 2010). Rice and Patrick (2008) also submit that Sub-Saharan Africa is the region with the world's highest concentration of weak and failed states and lacking

concrete metrics to evaluate state capacity to use its domestic and international resources to deliver security, social welfare, economic growth, and legitimate political institution. This weak institutional capacity no doubt breeds corruption. Corruption is one of the greatest constraint to economic growth in Africa. Undoubtedly, corruption is endemic and permeates virtually all facet of national life of most African countries. Lawal (2007) submits that Africa presents a typical case of the countries in the world whose development has been undermined and retarded by the menace of corrupt practices. Gyimah-Brempong (2016) corroborated Lawal stance as he articulated that coexisting with poor economic performance is widespread corruption, or the perception of widespread and increasing corruption in African countries.

According to the World Bank, corruption is “the single greatest obstacle to economic and social development; it undermines development by distorting the rule of law and weakens the institutional foundation on which economic growth depends” (World Bank, 2013). Lawal explained further that it involves a violation of public duty or deviation from high moral standards in exchange for (or in anticipation of) personal pecuniary gains. it is connected with moral and dishonest acts. the effects of corruption in Africa cut across three main perspectives - the political, economic and socio-cultural (Lawal, 2007). Corruption increases the cost of operations and maintenance in public institutions. This enhances inefficiency in public institutions, and raises the prices of public and social services, potentially increasing inflation rates in countries (Gyimah-Brempong, 2016). Endemic corruption breeds poor governance and inability to deliver public good for the citizenry. Akanbi (2010) opined that poor governance which is reflected in the unsteady political environment in many African countries has been a major hindrance to increasing domestic investment over the years. Low savings, over-reliance on natural resources, political uncertainty and conflict, demographic disadvantages are also contributory factors to slow economic growth in

Conclusion and Recommendations

This study has encapsulated the fluctuating and daunting task at economic growth and development in Africa and an exploration of relevant theory for analysis and understanding of the achilles' heel of economic growth and development in Africa. It is clear from the findings that economic growth has been episodic, thus making Africa development slow and delivering below its potential. For Africa to achieve rapid economic growth and development, we give the following policy recommendation. Firstly, there is need for African leaders to create enabling environment for investment by improving security, ensuring there is macro-economic stability, infrastructural development and political stability. Second, strengthening public institution is imperative, government need to build institutional capacity by investment in human capital, individual competencies and organizational effectiveness. Third, there is need for huge investment in education, particularly technical, information and communication technology, they are the driver of development. Finally, good governance is sacrosanct; delivery of public good requires having a visionary and capable leader and having in place a good social policy.

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Appendix 1

